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ABSTRACT

This volume of an annual journal contains 21 articles focusing on the many services that state Employment Security (ES) agencies are providing to improve outreach to employers who pay for the programs through the dedicated revenues of the Federal Unemployment Tax Act and state benefit taxes and to improve their own staff ability to deliver service. Three essays in Part I review the basics of the three programs that comprise the Employment Security System, namely, Unemployment Insurance (UI), Employment Service, and Labor Market Information, and suggest some prospects for future improvements and considerations. The essays are: "Unemployment Insurance: The Fundamental Employers' Service" (Sar Levitan, Isaac Shapiro); "Business Needs and Employment Service Potential" (William Kolberg, Peter Carlson); and "A New Look at Employment Service Labor Market Penetration" (Harold Kuptzin). The following 11 essays in Part II review programs that reach out to the employer community: "The Tested Job Match--Validity Generalization" (Jerry Pickett); "North Carolina's No Fault, Money Back Referral Policy" (J. B. Harris); "Outreach Services to Employers" (Linda Rutschmann); "Employers' Unemployment Insurance Rights and Obligations" (Pamela Gervais); "Minnesota's Mass Recruiting Services" (John Iverson, et al.); "Colorado's Jobs Network Partnership" (Dee Campbell); "Washington's Training Network" (Gary Gallwas); "Marketing ES by Video" (William Moulfair); "Mississippi's New Hire and Job Refusal Card" (Hoyte Hart); "Oregon's Adult Exoffender Placement Program" (Raymond Thorne, William Sager); and "Oregon's Homeless Program" (Raymond Thorne, William Sager). The seven essays in Part III review state Employment Security agency programs designed to improve staff effectiveness in delivering services; they are: "Virginia's Employability Training Workshop" (Dianne James); "Job Seeking Skills Create Better Applicants" (John Stine); "Florida's Group Application Process" (Linda Frazier); "Oregon's Scanner Processing of Employers' UI Quarterly Reports" (Joe Ann Gardner); "A Computer Program as a Counseling Tool" (Suzanne Zesmer); "Labor Market Information Dispersal" (Larry Kennedy); and "Establishing Labor Market Information Expertise" (David Koch). (YLB)

PERSPECTIVE

Essays and reviews of issues in Employment Security and employment and training programs

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Addressing Employer Services

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The International Association of Personnel in Employment Security is a nonprofit professional association representing individuals employed in the Employment Security programs of Job Service, Unemployment Insurance and Labor Market Information in federal and state governments and with nonprofit organizations. Membership is open to anyone working in or interested in Employment Security or employment and training programs. Members reside and work in more than 40 nations. The association sponsors a full range of scholarship programs, communication vehicles and membership benefit programs.

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Preface

"For forms of government let fools contest:
Whate'er is best administr'd is best."

— Alexander Pope

This second volume of *Perspective: essays and reviews of issues in Employment Security and employment and training programs* is dedicated to the Interstate Conference of Employment Security Agencies. ICESA, a private, nonprofit organization, is composed of the 53 state Employment Security agencies in the United States and its territories. The Agencies are the deliverers of the Employment Security programs of Unemployment Insurance, the Employment Service (or Job Service) and Labor Market Information. In 1986 ICESA celebrated its 50th anniversary of service.

In dedicating this volume to ICESA, it seemed appropriate to focus on the many and varied unique services that state agencies are providing both to improve outreach to employers who pay for the programs through the dedicated revenues of the Federal Unemployment Tax Act and state benefit taxes, and to improve their own staff ability to deliver service. ICESA has been a leader in promoting improvement as noted in its policy positions general introduction, "In concert with its membership, the Conference develops and promotes national policies which are designed to provide effective services to the employers, workers and job seekers of America."

The association thanks 1985-86 President Harry P. McKeown, under whose administration this volume was started, and 1986-87 President James W. Jackson, under whose administration it was completed. The Research and Institute Committee chairs who guided production were Alma O. Barr, 1985-86, and Karen B. Hess, 1986-87. A special thanks goes to W. Scott Boyd, association executive director from 1962-81, who provided editorial assistance and guidance during all phases of production.

Michael R. Stone
Editor

Part I: Reviewing programs

The Employment Security System has been compared to a three legged stool. If one of the legs is missing, the stool cannot remain upright. The three legs of the Employment Security System are Unemployment Insurance, Employment Service (or Job Service as it is known in most states) and Labor Market Information. In this section the basics of these three programs are reviewed and some prospects for future improvements and considerations are suggested.

Unemployment Insurance: The fundamental employers' service

by Sar A. Levitan and Isaac Shapiro

The federal state Unemployment Insurance System was established under the Social Security Act of 1935 as a "first line of defense" for workers who have involuntarily lost their jobs. Its primary objective is to act as an insurance policy for workers, but the system also acts as a countercyclical program by replacing a portion of lost earnings during a recession. The UI program largely has been successful, providing needed income support to millions of the unemployed each year.

History

Before the enactment of the federal state UI system, only a few groups of workers had protection against unemployment either through their unions or their employers. In 1934 just 100,000 workers were covered by trade union plans, and approximately 65,000 workers, primarily in the garment trades, were covered by joint union-management plans. An additional 70,000 employees were covered by voluntary plans that paid benefits to seasonal workers during the off-season.[1]

This article is a chapter titled "Helping Workers Forced Into Idleness" from the forthcoming book to be published by the Bureau of National Affairs Protecting American Workers: Federal Regulation of the Workplace. *Sar A. Levitan is a professor at the George Washington University Center for Social Policy Studies. Isaac Shapiro is his Associate.*

[1]*National Commission on Employment Compensation, Unemployment Compensation: Final Report (Washington: National Commission on Employment Compensation, July, 1980), p. 8.*

In 1931 Wisconsin enacted the first state Unemployment Insurance law. A major obstacle to state UI legislation was concern that the added taxes to support the unemployed would drive away business. As Franklin Roosevelt said while governor of New York, "All (states) must act, or there will be no action."[2] When he entered the White House, President Roosevelt had the chance to push for federal UI legislation, which prior to his election had failed to pass Congress on several occasions. His interest in UI legislation reflected the dire economic conditions prevailing when he assumed office. Existing government aid, private voluntary assistance and personal savings proved entirely inadequate in the face of mass unemployment. It became increasingly evident that the federal government would have to act if any income was to be provided for workers forced into idleness.

Advocating legislation that would "provide at once security against several of the great disturbing factors in life—especially those which relate to Unemployment Insurance and old age," Roosevelt appointed a Committee on Economic Security in June, 1934, to study the unemployment problem.[3] Given the prevailing support for state rights and the concern that a purely federal system might constitute unlawful federal interference in state regulation of commerce, the committee opted for a tax credit plan with minimal federal standards and substantial state administrative responsibility. Congress accepted this plan, and on August 14, 1935, President Roosevelt signed into law the Social Security Act that established the UI system.

Administration — federal and state roles

The state, or basic, UI program established in 1935 remains the heart of the current UI system. Under the basic program the federal government sets broad standards and monitors and contributes to the financing system. State governments develop the substantive and administrative rules governing the program. The objective of joint federal state administration is to maintain minimum standards while allowing states to tailor the program to their specific needs. In addition to the basic federal state UI system, there are separate programs for railroad workers and veterans. As the UI system evolved Congress also provided for supplemental benefits paid out of federal general revenue funds and extended benefits paid with federal and state funds. These programs have provided additional benefits during periods of high unemployment for workers who exhausted their basic state entitlements.

Between 1971 and 1984 the state programs provided 85 percent of UI benefits.[4] There are separate programs for each state, the District of Columbia, the Virgin Islands and Puerto Rico. Subject to federal minimal standards, states set payroll tax levels, weekly benefits and potential weeks of duration, individual qualification requirements, disqualification provisions, eligibility, and the method of allocating benefit costs among employers. Consequently, provisions for Unemployment Compensation vary a good deal from state to state. For example, in fiscal 1984 weekly benefits averaged $119 nationally, but ranged from $63 to $149 in individual states.

During the 1958 recession Congress first provided for the temporary extension of benefits to long term unemployed who had exhausted their state entitlements. Another

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[2] *Raymond Munts, Policy Development in Unemployment Insurance (Madison, University of Wisconsin, Institute for Research on Poverty, 1977), p. 75.*

[3] *National Commission, op. cit., p. 8.*

[4] *Richard A. Hobbie, "Unemployment Insurance: Financial Problems in the Trust Fund," Library of Congress, Congressional Research Service, June 5, 1985, p. 3.*

temporary program was established in 1960, and in 1970 Congress enacted a permanent Extended Benefits program. This program provides up to 13 weeks of benefits beyond regular UI benefits and is triggered on a state by state basis depending on a state's Insured Unemployment Rate (the number of people receiving regular Unemployment Insurance relative to the total work force covered by UI). During the recessions since 1970 the federal government also enacted temporary programs that provided benefits beyond the state and Extended Benefits programs. In 1983, for example, an unemployed individual from a state with a high Insured Unemployment Rate potentially was eligible to receive 26 weeks of basic state UI benefits, 13 weeks of Extended Benefits and up to 14 weeks of Federal Supplemental Compensation Benefits.

Financing

State and federal payroll taxes on employers are the main sources of UI program funds, with the majority of receipts coming from the state payroll tax. Currently, the Federal Unemployment Tax Act (FUTA) imposes a 6.2 percent gross tax on the first $7,000 of annual wages a covered employer pays to an employee. As long as a state system is in compliance with basic federal UI standards and is not in debt to the federal government, its employers can receive 5.4 percent as a tax credit and the balance (0.8 percent) is earmarked for the federal UI trust fund. If a state fund does not meet these conditions the federal tax credit declines on a sliding scale, thus raising the amount of UI taxes the employers pay to the federal government.

States deposit all UI contributions into the Unemployment Trust Fund of the U.S. Treasury, from which they may withdraw funds to pay regular benefits and the state's share of Extended Benefits. State UI taxes differ, although the minimal tax base is set by Congress. In 1985 the estimated average state tax base was $7,900, or $900 above the federal minimum, and ranged as high as $21,800 in Alaska. Puerto Rico taxed all wages.[3] The estimated 1984 average state tax rate as a proportion of taxable wages was 2.8 percent, or an effective tax rate of 1.1 percent of total wages.[4]

Although nine state UI programs originally taxed employees, employee taxes have been repealed over time because employer contributions were adequate to cover outlays. Employers did not press for employee taxes in order to minimize labor influence over the UI system. Taxing employers also gives firms an incentive to keep unemployment low and the costs of the program down. In 1985 employees were sometimes required to pay UI taxes only in four states.[5]

In fiscal 1984 total Unemployment Insurance revenues amounted to $30.4 billion. Federal revenue finances the administrative costs of the program, one half of the federal state Extended Benefits program, the Federal Supplemental Compensation programs and a federal loan fund from which states may borrow when their funds are depleted. State revenue finances the entire cost of regular benefits and the other half of the federal state Extended Benefits program. Total outlays of all UI programs in fiscal 1984, including both benefits and administrative expenses, amounted to $18.4 billion.[6]

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[1] *Congressional Budget Office, Promoting Employment and Maintaining Incomes with Unemployment Insurance, March 1985, p. 9.*

[2] *U.S. Congress, House, Committee on Ways and Means, Background Material and Data on Progress Within the Jurisdiction of the Committee on Ways and Means, Feb. 22, 1985, p. 299.*

[3] *Congressional Budget Office, op. cit., p. 23.*

[4] *Budget of the U.S. Government, Fiscal Year 1986, pp. 5-116.*

During periods of moderate to low unemployment UI revenues generally exceed outlays. In high unemployment years, however, the increased number of recipients collecting both regular and Extended Benefits, together with reduced payroll taxes, puts a drain on the system. Since the 1971 recession both the federal supplemental benefit programs and the state UI program continually have been plagued by financial problems, which have led both to tax increases and benefit cutbacks. At the end of 1983, following the recession, the states owed the federal government $13.1 billion. By June, 1985, the states had managed to repay nearly half of these debts, but 17 states still owed a total of $7 billion to the federal government. Four states, Pennsylvania, Michigan, Illinois and Ohio, accounted for three quarters of the debt.[9]

Unlike the federal tax, state tax rates are "experience rated," meaning that a firm's payroll tax depends on how much its laid off employees receive in UI funds. The use of experience rating reflects UI's design as an insurance program in which each firm bears the costs its operations impose on society as opposed to a welfare program where society in general would subsidize the costs of UI. This principle—that a firm should pay for the financial burdens it places on the UI system—is also consistent with considerations of economic efficiency.[10]

The states have adopted different rules governing experience rating. The most popular plan, currently used by 33 states, is the reserve ratio system. A state keeps a separate account for each employer to which its UI payroll taxes are credited, while UI benefits paid to the firm's former employees are deducted. The ratio of the balance to the employer's taxable payroll provides a basis for setting the employer's tax rate. Another 14 states use the benefit ratio formula, which normally considers only the firm's UI experience during the last three years. The firm's tax rate is determined by the ratio of UI benefits paid to taxable payrolls. The system matches this year's taxes with the previous year's benefits. This method of balancing taxes and benefits over time is less direct than under the reserve ratio system. Puerto Rico is unique in that it charges all companies the same tax rate.

By allocating the costs of Unemployment Insurance among firms according to the benefits paid to their employees, experience rating influences employment policies. Since a firm's tax liability depends on its layoff history, an employer may be induced to stabilize employment and output (thus decreasing unemployment) or to limit the hiring of workers who might have to be laid off in the future (this incentive would decrease employment). Experience rating may shift business away from firms that tend to lay off workers. When firms have to bear the social costs of their operations their overall costs rise, and the demand for their product falls. Firms whose operations create limited social costs have a competitive advantage. Experience rating also gives employers a direct interest in limiting unjustified claims and fraud, and in enacting restrictive and disqualifying provisions.[11]

Strict state reliance on experience rating has declined substantially.[12] By not fully matching costs with benefits the UI system requires some sharing of costs by all employers and partially reflects a social insurance system. Most states have a maximum tax rate, limiting the taxes charged to firms with high layoff rates, and a minimum tax paid by

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[9] *National Foundation for Unemployment Compensation & Worker's Compensation, The Bulletin, Washington, Aug. 12, 1985.*

[10] *Joseph M. Becker, S.J., Experience Rating in Unemployment Insurance: Virtue or Vice (Kalamazoo, MI: The W.E. Upjohn Institute for Employment Research, 1972), p. 10.*

[11] *William Haber and Merrill Murray, Unemployment Insurance in the American Economy (Homewood, IL: Richard Irwin, Inc., 1966), p. 446.*

[12] *Strategy for U.S. Industrial Competitiveness (Washington: The Committee for Economic Development, April, 1984), p. 63.*

all employers regardless of their layoff rates. A recent labor department study of 12 states found that "surplus" firms whose UI costs exceeded their employee's benefits paid 70 percent of UI taxes collected in 1983 but received only 36 percent of the benefits.[11] Between 1976 and 1981 employers in wholesale trade, finance, insurance and real estate paid more that $2 in taxes for each dollar their workers received in benefits.[12] On the other hand, firms in seasonal industries, such as construction and agriculture, paid slightly more than 50 cents in taxes for each dollar of benefits received by their workers. Within all these industries employers have sharply different payment: benefit ratios.

Benefits

Coverage under the UI program has expanded considerably since the act was passed. Initially less than half of all wage and salaried workers were covered by UI. The 1935 law excluded from coverage businesses with fewer than eight persons, all agricultural enterprises, all government and nonprofit organizations, and domestic workers. A series of amendments, most significantly those in 1966 and 1974, extended coverage so that 97 percent of wage and salary employees potentially are protected by Unemployment Insurance. Only agricultural workers on small farms and most household workers remain unprotected by the Unemployment Insurance System. Far fewer than 97 percent of the unemployed receive UI benefits, however, because job leavers, reentrants and new entrants into the labor force now constitute about half the unemployed and are ineligible, and because of other eligibility restrictions.

To be eligible for unemployment benefits a claimant must meet the state's employment and earning tests, be available for work and register with the local Employment Service office. The worker typically must have been employed during two of the previous four quarters, and annual earnings requirements range from $150 in Hawaii to $3,000 in Oklahoma, with a median of $1,200. In fiscal 1984, 19.5 percent of initual UI claims were disqualified, usually due to the claimant's lack of availability for work, voluntary separation without good cause, discharge for cause, refusal of suitable work without good cause and unemployment resulting from a labor dispute.[13] The goal is to achieve a balance between eligibility criteria to promote the integrity of the UI program and the provision of benefits to deserving recipients.

Several characteristics distinguish UI recipients from unemployed workers in general. Since UI recipients must have had recent work experience and meet earnings requirements, they are more likely to be older, male and white than all jobless persons. The system thus benefits a category of Americans who often are perceived as being neglected by government welfare programs. In 1983 persons aged 25-54 comprised 72 percent of UI recipients, but only 59 percent of the unemployed. Approximately two thirds of UI recipients were men, while men were 58 percent of all jobless persons. Only 12 percent of UI recipients were nonwhite, as compared to 17 percent of all the unemployed. Unemployed individuals from low income families are less likely to receive Unemployment Compensation than middle income families.[14]

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[11] *National Foundation for Unemployment Compensation & Worker's Compensation, The Bulletin, Washington, Sept. 23, 1985.*

[12] *Congressional Budget Office, op. cit., p. 36.*

[13] *Ways and Means Committee, op. cit., pp. 281, 284.*

[14] *Congressional Budget Office, op. cit., pp. 7-8.*

Annual family income	Distribution of all unemployed	U.I. recipients
less than $10,000	29.0%	19.2%
$10,000-$19,999	26.4	29.9
$20,000-$39,999	31.0	37.4
$40,000 or more	13.5	13.4

The UI system seems of greatest benefit to the traditional blue collar worker. In 1983 two of every three unemployed mine workers and workers in durable goods manufacturing industries received UI benefits, compared with one of every three service and retail trade workers.

Organized labor has favored a permanent federal UI program for the long term jobless rather than one triggered in and out with recessions. A permanent program would provide a more consistent level of benefits and would protect the long term unemployed from varying political conditions. Business representatives have argued that states, without federal intervention, have continued to extend benefit duration over the years in line with their special needs and varying employment conditions. Providing extended benefits at all times, business has claimed, would be both costly and subject to abuse which a standby program can more accurately respond to economic conditions. For the most part, business has won the debate.[17]

The maximum duration of unemployment benefits is now 26 weeks in all but four states that have longer durations. Combining state, extended and supplemental benefit programs, potential duration of Unemployment Insurance benefits rose to as long as 65 weeks during the high unemployment period from 1974-1976. During the recession of 1982-1983 maximum duration of benefits reached 53 weeks. The Federal Supplemental Compensation program adopted by Congress in 1982 expired three years later. In July, 1985, an extended benefit program was in effect in only two states, limiting to 26 weeks the potential duration of benefits for almost all the unemployed.

Weekly benefits paid to the laid off worker are based on the claimant's earnings within specified minimum and maximum limits. For more than a decade average regular UI benefits have replaced slightly more than one third of a worker's former wage.[18] This figure does not account for an unemployed worker's loss in fringe benefits. On the other hand, it does not reflect the tax free status of most UI payments. UI benefits first were taxed in 1979. Currently benefits paid to individuals with income exceeding $12,000 and to married taxpayers with a joint income above $18,000 are taxable. (Editor's note: The 1986 Tax Reform Act makes all UI benefits subject to taxation.)

Evolution of the UI System

A combination of insurance principles and welfare considerations have guided the development of the UI system. Although Unemployment Compensation is not means tested—it is provided regardless of the recipient's economic condition—UI does differ from a pure insurance program. In 13 states benefits vary with family size. In addition even though the low tax base causes employers to contribute roughly the same amount in taxes for almost all their workers, benefit amounts vary in proportion to previous

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[17] *Sar A. Levitan and Martha R. Cooper, Business Lobbies (Baltimore, MD: The Johns Hopkins University Press, 1984), pp. 99-100.*

[18] *Ways and Means Committee, op. cit., p. 522.*

earnings. In 1984 full time workers earning the minimum wage received weekly benefits of $74; workers earning $6 an hour received $124; and workers earning $9 an hour received $158. UI does, however, compensate a greater percentage of the wage loss of low wage earners than of high wage workers. For the above categories of workers UI replaced, respectively, 55, 52 and 44 percent of previous earnings.[19]

Business lobbies have played a major role in maintaining UI's focus on insuring workers with a substantial attachment to the labor force against potential wage loss. Throughout the program's existence business has adhered steadfastly to three guidelines for controlling the costs of UI: limiting the scope of UI assistance to those workers who are forced into idleness, minimizing federal intervention with state programs and holding each firm responsible for restoring the funds that its unemployed workers have drawn from the system. Pressure by business lobbies to keep costs in check has helped to ensure that the original intentions of the program have been pursued. By preventing Congress from expanding federal standards business lobbies also have helped keep control of the system in the states where, with few exceptions, organized labor lacks resources and political clout.

Although the scope of UI has remained relatively narrow over the years the system has proven capable of adapting and changing with the times. Coverage has expanded considerable since the program was established, while benefit duration has lengthened substantially. In some respects, however, UI has moved in the wrong direction. When the system was established, 98 percent of all wages were subject to the federal UI tax compared with only 36 percent in 1984.[20] The percentage of the unemployed receiving Unemployment Insurance also has fallen sharply.

Effects — income

The UI system provides substantial income support to covered job losers. While some unemployed could draw on savings or other sources of income, for many others UI payments are essential to help combat poverty and meet severe need during periods of economic stress. In fiscal 1985 nearly eight million individuals received regular state weekly benefits averaging $119 over 15 weeks.[21]

Although UI often provides necessary benefits, UI income support is less than it should be. First, average benefit levels in some states are inadequate. In 1984 benefits averaged $86 in Mississippi and $88 in Missouri. Across the border from Mississippi UI payments averaged $149 in Louisiana. In Missouri's neighboring state of Illinois payment averaged $134.

Second, the historic effectiveness of UI in providing temporary income support to the unemployed eroded in the early 1980s. In 1975 an average of 76 percent of the unemployed were receiving some form of Unemployment Insurance at any given time. In 1983 the corresponding figure was 44 percent. This figure has fallen steadily, reaching a historic low of less than 30 percent in 1985.

One explanation for the drop in the proportion of unemployed receiving UI is the increased number of women in the labor market. Women are less likely to be insured because they have less attachment to the labor force than adult men, and their recent

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[19] *Unweighted state averages calculated from Ways and Means Committee, op. cit., pp. 292-93.*

[20] *The Center for the Study of Social Policy, "Restructuring Unemployment Insurance" (Washington: The Center for the Study of Social Policy, July, 1985), p. 34.*

[21] *Congressional Budget Office, op. cit., p. 16; Ways and Means Committee, op. cit., p. 275.*

earnings and work experience are frequently inadequate to qualify them for Unemployment Compensation. A further explanation is that employment has shifted away from goods producing industries to service industries, where because of intermittent employment, fewer unemployed workers receive UI benefits.

Stricter enforcement of eligibility standards and tighter administrative controls—including stronger enforcement of work search requirements for beneficiaries, tighter state disqualification provisions for quitting a job or being fired for misconduct, and the imposition in 43 states of a minimum one week waiting period before claimants could receive benefits—contributed to the decline in the percent of the unemployed receiving UI. These actions, partially taken as an effort by states to solve their UI deficits, contributed to a one third decrease in the number of new job losers receiving regular benefits since 1979.[22] Eligibility for federal benefits also has been restricted. The 1981 Omnibus Budget Reconciliation Act severely tightened the Extended Benefits trigger.

More evidence of the erosion of the UI system can be found by comparing benefit levels during years of high unemployment: 1975 and 1976 to 1982 and 1983.

	Unemployed (millions)	Job losers (millions)	UI benefits (billions, 1983 dollars) Regular	Extended and supplementary benefits	Total
1975	7.9	4.4	$21.7	$8.6	$30.3
1976	7.4	3.7	15.7	8.9	24.6
1982	10.7	6.3	20.0	1.9	21.9
1983	10.7	6.3	20.8	8.0	28.8

Even though there were 2.2 million more average monthly job losers in 1982 and 1983 than in 1975 and 1976, the real value of benefits fell by $4.2 billion. Extended and supplementary benefits were cut almost in half. Average UI benefits per job loser dropped by a third.

For those who do receive benefits the goal is to set benefits high enough to provide an adequate income cushion, and yet not so high as to prolong their period of job search unnecessarily. The consensus goal long has been to provide a "great majority" (normally 80 percent) of UI claimants with 50 percent of their earnings.[23] The National Commission on Unemployment Compensation found, however, that in none of the states for which information was available did 80 percent of the beneficiaries receive half their weekly wage loss. In seven states fewer than 50 percent received half their lost earnings. The 1984 average wage replacement rate was 35 percent.

Employment

A common criticism of the Unemployment Insurance System is that it increases measured levels of unemployment. Because Unemployment Compensation reduces the cost to workers of being unemployed they are more likely to prolong their period of idleness, particularly in labor markets when jobs are relatively easy to obtain. This extended job

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[22] *Gary Burtless and Wayne Vroman, "Unemployment insurance program solvency in the 1980's," Monthly Labor Review, May, 1985, p. 27.*

[23] *Joseph M. Becker, Unemployment Benefits (Washington: American Enterprise Institute for Public Policy Research, 1980), p. 4.*

search period does, however, have a positive aspect: it allows workers more time to look for jobs where their skills can be utilized. UI also increases unemployment because employers, particularly those at the maximum tax rate, are more willing to lay off workers for short periods of time, as the availability of UI benefits reduces the chances that an employee will immediately seek work elsewhere. Finally UI increases unemployment because the UI payroll tax raises the cost of labor.

Numerical estimates of the work disincentive effects of UI have found that during periods of low unemployment UI benefits may increase the unemployment rate roughly 10 – 15 percent, as compared to about five percent during periods of high unemployment.[24] These estimates necessarily rest on a number of questionable explicit or implicit assumptions and therefore should be used with caution. In particular, given the historically low percentage of the unemployed who received benefits in 1985, the estimates most likely overstate the magnitude of the UI work disincentive.

As a counterbalance to this increase in unemployment, by replacing a portion of an unemployed worker's earnings, UI benefits have a countercyclical effect helping to stabilize demand and, therefore, output and employment during a recession. Numerically estimating this effect is a difficult proposition, but several studies estimated that recessions from 1948 to 1977 were 10 percent less severe than they would have been without the UI system.[25]

Reforms

As a result of the dynamic nature of the UI program and the significant amount of funds involved, the UI system often has been the subject of analysis and proposed changes. There has been continuing controversy over the appropriate federal role, the level of taxable wages and the best alternatives to control costs. More recently reformers have suggested expanding the program to provide more comprehensive support to the unemployed.

The federal role

The principle of subsidiarity—the belief that the federal government should undertake no functions that can be performed by lower levels of government—has been used by employers to oppose increased federal intervention in UI. Their position is that employment conditions vary enough among regions to warrant tailor made state standards. Organized labor, on the other hand, has charged that decentralized authority among competing states is responsible for the inadequacies in Unemployment Insurance coverage and benefits. Labor has favored a federal UI system or, at the least, stronger minimum federal standards to ensure that all employees, regardless of where they reside, are covered by the same basic rights and protections.

For the most part there has been a delicate balance between state autonomy and federal intervention in the UI system. States have abided by the basic federal standards and have effectively administered the program. Nevertheless, steps should be taken to establish stricter federal minimum benefit standards so that benefits are not excessively low in some states and to reverse the sharp decline in the percentage of the unemployed receiving compensation.

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[24] *Congressional Budget Office, op. cit., p. 21.*

[25] *Daniel S. Hamermesh, Jobless Pay and the Economy (Baltimore, MD: The John Hopkins University Press, 1977), p. 64.*

UI programs that provide benefits beyond the regular state program should be reformulated. The 1981 revision of the Extended Benefits trigger undermined this program significantly. In July, 1985, the EB program was in effect only in Alaska and Puerto Rico, even though unemployment rates were above 10 percent in Louisiana, Michigan, Mississippi and West Virginia. The EB trigger is not only too restrictive, but it often fails to reflect the true unemployment situation in a state. Since 1981 the Insured Unemployment Rate trigger does not include individuals receiving either EB benefits or Federal Supplemental Benefits, nor has it ever included individuals who have exhausted UI benefits. During the deep recession of the early 1980s states with large manufacturing sectors and large numbers of long term unemployed often had relatively low Insured Unemployment Rates and fell off the EB rolls rather quickly. The EB program failed to adequately help those it is intended to assist: the long term unemployed in states with severe economic dislocation.

The most recent temporary Federal Supplemental Compensation program was in effect between the fall, 1982, and in the spring, 1985. It provided additional relief to more than seven million of the long term unemployed whose regular or extended benefits had expired. However the confusion and uncertainty caused by three extensions during 1983 and 1984, as well as the program's use of the Insured Unemployment Rate trigger, undermined its effectiveness.

In light of the weak EB program and the shakiness of the recent supplemental benefits program, a permanent federal supplemental program is in order. In areas of severe economic dislocation, where job searches may last well beyond 26 weeks, this program would assure job losers additional weeks of compensation. To be effective, the program either should broaden the base of the Insured Unemployment Rate or use the Total Unemployed Rate as an alternative trigger. Finally, because an individual's reemployment possibilities depends heavily on local labor market conditions, sub state triggers should be considered.

Wage base

The federal taxable wage base, which sets a minimum for the state taxable wage base, has been raised only three times from its initial level of $3,000 - $7,000 half a century later. Consequently, the ratio of taxable wages to the total wages of covered employees has declined from 98 percent in 1940 to 36 percent in 1984. The average state base of $7,900 is only slightly higher. In comparison, the Social Security maximum tax base ($39,600 in 1985) was about five times as high. With a low base, employers generally pay the same amount of tax for all workers earning at or above the minimum level. This low tax base favors firms with high wage employees at the expense of the low wage firms.

The low tax wage base also acts as an employment disincentive. UI taxes, as a semi fixed cost, increase the incentive for firms to lengthen workers' hours at no additional UI expense rather than to hire a new worker and increase UI costs to a low wage firm by a substantial amount. It also bears repeating that even though contributions per employer vary little with a worker's wages, UI benefits do vary with earnings. A low wage employer may contribute as much as a high wage firm to the system, but the low wage worker receives substantially less in benefit payments. Raising the UI taxable wage base is worth serious consideration. Further, to prevent future deterioration, the taxable wage should be indexed to the average rise in wages.

Controlling costs

Despite the recent erosion of UI benefits, some critics believe that benefits should be further reduced. One suggestion is to require a minimum two week waiting period—as

opposed to the current one week waiting period—before an initial claimant can receive benefits. Although some unemployed could wait without much financial strain, others with little or no savings might experience serious deprivation. A second suggestion is to tighten enforcement of job search and other eligibility requirements to ensure that only laid off employees ready, willing and able to work receive benefits. This would help cut down on overpayments. The labor department estimated that up to 12 percent of UI benefits are overpaid or paid to ineligible claimants each year. The most common reason for these erroneous payments is the failure of UI recipients to meet job search requirements.[76] Although enforcement of existing rules is in order, it would involve added administrative costs and might prevent deserving recipients from receiving benefits.

Scope

Another perennial issue concerns the scope of the UI system. Several proposals have been introduced in Congress that would expand the role of UI from an income support program to include the promotion of reemployment of benefit recipients. The proposals have included using UI funds for retraining and relocation, for reemployment vouchers, to create individual training accounts and to stimulate entrepreneurship.[77] Using UI funds in this manner would involve a substantial departure from the program's original role of providing a temporary income cushion for workers forced into idleness through no fault of their own. Reformers argue that it is time to depart from this narrow purpose because the assumption that unemployed workers quickly can find jobs no longer holds true, especially in the case of dislocated workers. Modifying the Unemployment Insurance System, because of its existing administrative structure and the lack of stigma attached to receiving benefits, is thought to be an excellent vehicle to help these workers.

Proponents of revamping the UI system argue that UI financed retraining and relocation assistance would help unemployed workers secure employment when they might otherwise have significant difficulty. Either vocational training or on the job training could be provided, and UI regulations could be changed to allow individuals to undergo training while they receive benefits. Currently UI recipients can be certified to receive job training in only 13 states. In other states an unemployed individual is not eligible for benefits and job training simultaneously.[78]

Another alternative to promote reemployment of long term UI recipients is to allow them the option of using a portion of their benefits as vouchers payable to new employers. This program would have a low added cost compared to some other employment and training programs. However, monitoring such a system to prevent windfalls to employers who, even without subsidies, might have hired the workers presents serious difficulties.

A third proposal is to finance job training through the use of individual training accounts (ITAs) with administrative ties to the Unemployment Insurance System. Worker and employer contributions would be collected as a supplement to the federal UI payroll tax. Eligibility to use ITA funds would depend on an individual's UI eligibility. Unused retraining funds would be returned to the worker when he or she retired, with interest.

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[76] "Labor Department Seeks Comments on Quality Control for UI Program," *BNA's Employee Relations Weekly*, Aug. 19, 1985, p. 1048. Paul L. Burgess, Jerry L. Kingston, and Robert D. St. Louis, *The Development of an Operational System for Detecting Payment Errors Through Random Audits: The Results of Five Statewide Pilot Tests* (Washington: Unemployment Insurance Service, U.S. Department of Labor, 1982).

[77] Congressional Budget Office, op. cit., pp. 62-68.

[78] "Restructuring Unemployment Insurance," op. cit., p. 76.

A voluntary system allowing tax deductible contributions would erode the tax base. If mandatory it would be necessary to raise the current UI payroll tax.

Some of these proposals merit consideration—most notably that individuals be allowed to receive UI payments while they participate in training programs. However, fundamental expansion of the UI system to include reemployment of dislocated and other unemployed workers is beyond the proper scope of UI. Such programs should be financed from general revenue. To turn UI into a comprehensive training or welfare program would interfere with its current limited but effective role of helping workers forced into idleness and would compound the program's financial difficulties. The maxim "when it ain't broke, don't fix it" applies to the well intentioned proposals to transform the UI program into a broad welfare system.

A Viable Targeted Program

The recent sharp decline in the percentage of unemployed who receive UI benefits is a disturbing trend that must be reversed. The system also can be improved by increasing the taxable wage base and by a stronger federal program for unemployed workers who exhaust their regular state benefits. In large part, however, UI has fulfilled its purpose as a non means tested social insurance program. By providing an income cushion for workers who have involuntarily lost their jobs, each year it helps millions of Americans cope with the difficulties of unemployment.

Business needs and Employment Service potential

by William H. Kolberg and Peter E. Carlson

It is impossible for any employer to be directly aware of the millions of potential employees in the labor market, and locating qualified and suitable applicants can be potentially both time consuming and costly. Due to the substantial expense of extensive recruitment and intensive screening, most employers tend to rely on less costly and informal applicant search methods—such as choosing among applicants who show up at the office door or factory gate and soliciting referrals from current employees.

Tightening labor markets, however, are rendering such informal methods less effective. It is becoming necessary for employers to beat the bushes a little harder to net qualified applicants for some occupations and in certain geographical areas. At the same time, increasing competition is putting pressure on U.S. employers to become more efficient, compelling them to screen applicants more effectively to insure a more productive work force. In this environment a revitalized Employment Service—attuned to employer needs and charged with clear mission—could play an important role in fostering a dynamic and expanding economy.

Hiring needs

Employers recruit potential employees through a variety of channels, mostly informal and closed to the public at large. Their choice of recruitment method varies according to

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the perceived relative cost of each alternative. A common strategy in most large companies is to fill job vacancies with existing employees, hiring from the outside only to fill entry level jobs. The demand for entry level workers frequently is met by choosing among those who make direct application to the firm. The most common strategy among small employers is to seek referral of applicants from current employees or business associates. Two thirds of all job vacancies are filled through these informal channels.

Past research has shown that employees hired using these informal methods exhibit less turnover than those hired using formal methods.[1] These recruitment channels also are the least expensive. Thus employers appear to be using the most cost effective methods to fill job vacancies.

Some job vacancies, however, require more extensive search or more intensive screening than can be accomplished through informal methods. Many of these jobs require more specialized skills or are in occupations in which workers are in short supply. A number of formal intermediaries have been developed to satisfy employers' demand for such workers—including professional and trade associations, college placement offices and union hiring halls. Other alternatives include advertising in the want ads, contracting with a private employment agency or listing the job opening with the public Employment Service. These formal intermediaries are growing in importance as changes in the labor market are reshaping employer hiring practices.

Workplace trends

The shift from goods producing to service producing industries and the introduction of new technologies are transforming the labor market. During the late 1970s and early 1980s, 20 million new jobs were created; only five percent were in manufacturing while 90 percent were in the service and information industries. By the end of the century an estimated 5 – 15 million manufacturing jobs will be restructured. In addition the U.S. Bureau of Labor Statistics estimates that virtually all of the projected 16 million new jobs created during the next decade will be in the service sector.[2]

The pace of technological change also may be quickening. More than three quarters of *Fortune* 1500 firms surveyed in 1984 reported that they have been experiencing technological or economic changes affecting employees' job skills. Only three percent were unaffected. An overwhelming 80 percent believed that ongoing changes will require new skills in the years to come.[3]

Indeed, improvements in technology are shortening product life cycles. It is important for firms to be able to take an innovation or product quickly from development to production to market domination, then move on quickly to the next product. Consequently, firms must remain flexible, and workers must be able to adapt quickly and efficiently to new technical and skill requirements.

One implication of this trend is that employers in one location may find it necessary to broaden their search not only in the immediate vicinity of their plant but also to other locations to quickly find qualified applicants with needed skills. During the past decade the labor force grew at a faster pace than the economy allowing businesses to pick and choose among jobseekers lined up at the office door or factory gate. Slower labor force

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[1] *P.J. Decker and E.T. Cornelius, "A Note on Recruiting Sources and Job Survival Rates," Journal of Applied Psychology, Winter, 1979, pp. 463-464.*

[2] *Valerie A. Personick, "A Second Look at Industry Output and Trends Through 1995," Monthly Labor Review, November, 1985, pp. 26-41.*

[3] *Personnel Administrator, June, 1984, p. 44.*

growth in the coming decade may produce localized tight labor markets in which needed skills are in short supply. As their skill requirements increase and tight labor markets restrict their ability to locate applicants through informal means, employers will be forced to rely more on formal intermediaries. Among small businesses, where most jobs are created, the pinch of tight labor markets could be especially troublesome as the reduced volume of employee referred applicants compels them to seek other recruitment methods.

Another implication of increased flexibility in employer operations is the greater likelihood of business relocations, especially if the firm is small or skilled labor is in insufficient supply or too expensive to retain. Evidence of this trend can be found in continuing reports of a high number of plant closings despite sustained economic recovery. Business relocations to find better markets or better workers are absolutely essential to maintaining a dynamic economy, but good information on which to base relocation decisions is in short supply. The Labor Market Information currently being developed is often neither comprehensive nor timely enough to serve employer needs. More specific information is needed on the availability of workers, what wages they require and who the competitors are for their services.

Workers dislocated by economic and technological changes also need to know where to look for new jobs or to acquire new skills. Often it is necessary for them to look beyond the local labor market. Better information on job vacancies would facilitate the movement of dislocated workers into other employment, both nearby and in other locations, while relieving political pressures to restrict business mobility.

Applicant screening needs

Rapid technological change, international competition and job restructuring are also intensifying the need for effective worker training and retraining. Employers report significant increases in the amount of training required to become productive on the job largely due to new computer applications.[1] Much of the burden for that training is being shouldered by employers at an estimated cost of $30 billion a year.[2] As the employer investment in formal employee training grows, employers require greater assurances that their investments pay off. Careful screening of job applicants provides such a safeguard.

Probably the most significant trend in applicant screening is a return to employment testing. Throughout the 1970s personnel departments, particularly in large firms, abandoned preemployment testing in response to actual, or potential, legal challenges to the impartiality of the test design.[3] Most employers preferred to switch than to fight. Subsequent developments, however, have rekindled employer interest in testing in recent years.

A growing concern for the privacy of personnel records and employee access to personnel files limits the amount of information employers are able to obtain about prospective employees. In the mid 1970s, employers scarcely were considering the matter at all. By the mid 1980s, however, almost 45 percent of employers surveyed reported having written policies regarding the privacy of personnel files, and more than 86 percent reported that

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[1] *Bureau of National Affairs, "Trends," BNA's Employee Relations Weekly, Jan. 14, 1985, p. 62.*

[2] *Seymour Luterman, Trends in Corporate Education and Training (New York: Conference Board, 1985); and Anthony Carnevale and Harold Goldstein, Employee Training: Its Changing Role and An Analysis of New Data (Washington: American Society for Training and Development, 1983).*

[3] *National Research Council, Ability Testing: Uses, Consequences, and Controversies (Washington: National Academy Press, 1982).*

they provide employee access to records containing personal information about themselves. Well over half of all employers now require the employee's permission before disclosing personal information other than work location, term of employment and last position held.[7] Many former employers are simply afraid to say anything bad about former employees for fear of lawsuits, thereby reducing the effectiveness of reference checks.

Consequently, employers increasingly are turning to testing to determine applicant abilities. A recent study by the American Society for Personnel Administrators (ASPA) found that more than one third of the surveyed companies report conducting more selection testing now than five years ago. One fourth of employers had increased their testing in the past year, and nearly one half are considering an increase in the amount of testing performed. Over one fourth of employers also test employees before offering promotions.[8]

The latter application of testing may take on increasing importance as employers seek an objective means to allocate scarce promotion opportunities among a large cohort of baby boomers clustered in the middle pay grades. At the same time employer concerns about the deteriorating quality of high school graduates might be met through greater reliance on preemployment testing to better discern the true abilities of young applicants.

A key prerequisite, however, is the identification of a valid and accepted testing instrument. Most employers who now rely on testing as a selection tool do not have the in house capability to develop and validate testing instruments. Three fourths are developed by outside consultants or commercial publishers, and less than one out of five are validated to conform to the federal Uniform Guidelines on Employee Selection Procedures issued by the U.S. Equal Employment Opportunity Commission (EEOC).[9] There is a clear need for a widely available and legally defensible testing tool as employer reliance on this screening method grows.

Employment Service potential

How well equipped is the public Employment Service to satisfy the hiring needs of employers? The public agency's potential has been growing. Technological advances have made possible the generation and manipulation of large databases containing detailed information on both job openings and job applicants, thereby expanding the boundaries of the search process. Computerization also potentially reduces the time required to screen applicants. In addition, breakthroughs in screening techniques have increased the ability of the agency to perform more accurate assessments of applicants' interests and abilities.

Several states have installed "paperless" systems, connecting the local offices to a central computer and updating the job information throughout the day. For the most part, however, state Employment Service Agencies have failed to keep pace with technological and labor market changes.

Current performance

Employers continue to use the public agency, undoubtedly drawn to it by its low cost and quality service in some areas. More than half of all employers list job vacancies with

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[7] Harriet Gorlin, "Privacy in the Workplace," *Conference Board Information Bulletin, No. 27, 1977*, and "Personnel Practices I: Recruitment, Placement, Training, Communication," *Conference Board Information Bulletin, No. 89, 1984*.

[8] American Society for Personnel Administration, Information Center, Resource Survey, No. 12 September 1985, and Bureau of National Affairs, "ASPA-BNA Survey No. 45: Employee Selection Procedures," *Bulletin To Management, No. 1727, May 5, 1982*.

[9] Bureau of National Affairs, "ASPA-BNA Survey No. 45."

the public Employment Service, although sometimes as infrequently as once a year. Large employers tend to use the agency more than small ones, probable due to the larger volumes of their hiring activity and their greater need for screening assistance. Job orders actually filled by the Employment Service, however, are at a lower level in terms of skill and pay than the average listed job. The evidence indicates that it is relatively more difficult for the public agency to fill orders for permanent jobs, as well as those in occupations requiring greater skill. For example, in one study, local Employment Service offices filled 93 percent of farm and 75 percent of service job orders, but only 52 percent of machine trades and 56 percent of professional, technical or managerial job orders. The mean wage rate of jobs filled by the public agency is lower than the mean wage rate of jobs listed.[10]

One explanation for the lack of Employment Service success in filling the better jobs is that qualified applicants are simply not registered with the agency. Employers who use the Employment Service express some dissatisfaction about the quality of applicants referred to them, probably with good reason. Most job seekers use a number of methods to find work, often turning to the Employment Service late in their search. It is likely that more qualified job seekers achieve early success through direct application and referrals, the methods preferred by employers. Consequently, ES applicants tend to be less skilled and less educated than the general labor force.

The characteristics of Employment Service jobs and applicants indicate which segment of the market that agency has captured. The type of jobs listed with the Employment Service are typically in nonprofessional and lesser skilled occupations. The hourly wages in jobs filled average about $1 above the $3.35 minimum wage, with half of the jobs paying less than $4.00 an hour. Approximately 40 percent of the jobs are expected to last no more than 150 days, and a large number of these last less than three days. Applicants registered with the local offices are often less educated and younger than their peers in the labor force.

Many employers clearly are frustrated that their trips to the well have produced so little. In the early 1970s, studies showed that the Employment Service filled 6-8 percent of employers' job vacancies. By the early 1980s, this number had dropped to less than 4 percent.[11]

Although Congress has expressed an interest in automating the Employment Service since 1968, progress has been slow and uneven. Inevitably many problems must be worked out in implementing such a system, but efforts to overcome those problems have slackened in recent years. There has been minimal focus and no substantial investments in Employment Service automation since the mid 1970s. Fewer than half the states currently rely on automated systems—leaving the majority dependent on inefficient hard copy methods—and in many states the data processing equipment is aging or obsolete.[12] In addition, only around 16 state agencies operate a job matching system in at least some labor market areas.

A consequence of limited automation is a restricted capability to collect and to disseminate comprehensive Labor Market Information. The basic labor exchange information currently collected in most states is inadequate for employer planning purposes, either

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[10] *Terry R. Johnson, et al., A National Evaluation of the Impact of the United States Employment Service: Final Report, (Menlo Park, CA: SRI International, June, 1983).*

[11] *John Bishop, John Barron, and Kevin Hollenbeck, Recruiting Workers (Columbus, Ohio: The National Center for Research in Vocational Education, August, 1983).*

[12] *Data Processing Committee of the Interstate Conference of Employment Security Agencies, "A Report on the Data Processing Needs of the Employment Security System," mimeo, April 1984.*

because it covers so few labor market participants and jobs or because it is not produced in a usable form. In addition, efforts to ease the reporting burden on states in recent years have produced substantial variability in state information collection systems.

Like placements, other functions performed by the Employment Service have experienced a similar decline. Job development, counseling and testing services to applicants all have been reduced since 1981. In the most recent years, however, the number of applicants tested has begun to rebound, reflecting the increased utilization of a promising testing technique.

Testing potential

The Validity Generalization (VG) method being piloted by the public agency on a limited scale in selected states validates the predictive ability of the General Aptitude Test Battery (GATB)—the standard Employment Service assessment tool—for the entire range of occupations, far beyond the traditional 400 or so for which the test historically has been used. Employers have much to gain from VG. Rather than shopping around at various commercial test publishers for the right test for the right job, hiring officials would be able to screen all applicants using the same test available from a single source. Testing costs could be reduced substantially. Demonstration findings indicate that VG tested applicants consistently evidence lower turnover, required less training, exhibit greater job satisfaction than comparable control groups.[1]

Validity Generalization testing also could prove to be a valuable counseling tool. In the past the Employment Service has relied on the experience and skill of its staff to screen applicants for individual employers. The emergence of VG, however, transfers that function to an employment test, and allows a computer to perform the screening. VG tested jobseekers not only learn about their aptitudes and abilities, thereby focusing their job search and increasing later job satisfaction, but also they are able to carry their credentials with them to a number of employers or placement agencies, thereby facilitating individual job search. Obviously no employer hires on the basis of test scores alone, but such prescreening can reduce substantially the amount of time required to weed out unqualified applicants.

One ES agency has begun testing high school seniors in an effort to help them with career planning and preparation. If successful, and applied on a large scale, this practice could help young people better understand their strengths in the labor market and could lead to lower turnover and increased productivity. Official labor department endorsement of the VG technique is awaiting a ruling by the justice department on the acceptability of minority preferences in the test scoring. In the interim, however, employers are reluctant to take full advantage of this new testing tool.

Finding a niche

Clearly, the Employment Service has the potential to satisfy many of the current and emerging hiring needs of employers. State agencies that have automated their systems or offer VG testing have received an enthusiastic response from employers. But these innovations remain confined to too few areas producing wide variation in Employment Service performance.

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[1] *Michael W. McKenney, Validity Generalization Pilot Study (Raleigh, North Carolina: Southern Test Development Field Center, June, 1983).*

Other institutions have taken up the slack. While the placement activities of the public Employment Service have stagnated in recent years, private employment agencies and temporary help agencies have proliferated. At the same time, a number of public agencies have stepped up job placement activities on behalf of their particular clientele. State occupational information and economic development agencies are stepping in to provide employers with the Labor Market Information they need to make expansion or relocation decisions. Private test consultants continue to provide assistance in screening job applicants and candidates for promotions. Such pluralism in the labor market insures that the needs of employers will be met.

In the past one problem with the Employment Service has been the tendency of Congress to assign it responsibilities that have little if anything to do with its primary functions. The Job Training Partnership Act contained amendments to the Wagner-Peyser Act (the ES' authorizing law) that were intended to move the agency back to its basic labor exchange role and to facilitate coordination between the Employment Service and other public employment and training institutions. The next step is to decide what particular roles are appropriate for the Employment Service in a competitive employment and training system. Business groups are working together with federal policy makers to determine how the public Employment Service can be utilized best to satisfy employer hiring needs.

A new look at Employment Service labor market penetration

by Harold Kuptzin

The prevailing view that the public Employment Service in the United States has only a rather limited role in filling employer job openings and the overall hiring process probably is accurate. Nevertheless this viewpoint may be misleading in a number of important respects and may distort the impact and significance of ES operations to large segments of the labor force.

The generally negative appraisal of the status of the ES as a labor market intermediary and hiring channel is shared widely among academic circles and other research organizations, and even among federal and state officials responsible for running the system. This conventional wisdom about the minor role of the ES in the labor market was most recently authoritatively restated in a National Council on Employment Policy paper,[1] prepared by Sam Levitan and Peter E. Carlson and issued in May, 1985. This paper in part concludes that:

> "... The public employment service plays a marginal role as a labor exchange ... Job listings have come almost exclusively from low wage labor markets ..."

These conclusions are cited almost in the nature of evaluative stipulations in the paper, with little need to offer further corroborative evidence to substantiate this assessment.

Harold Kuptzin, now retired, was director of the Office of Technical Support, U. S. Employment Service, Department of Labor Employment and Training Administration.

[1]National Council on Employment Policy. Policy Statement on the United States Employment Service. May, 1985. In releasing this paper, the NCEP indicated that "Despite divergence of opinion on details, the members agreed to its issuance as a National Council on Employment Policy Statement."

However, if the authors of the paper had wished to assemble and include apparently supporting evidence, they would not have had to looked far. Numerous academic and other research studies during the past two decades, including studies initiated by state Employment Security agencies themselves under the Employment Service Potential (ESP)[1] project in the mid 1970s seemed to point to the same general conclusion. By and large, studies (including those under the ESP program) generally reported that ES placements represented about 5-15 percent of all hiring activity, give or take a percentage point.

Also in the same range during this period were study findings by the Bureau of Labor Statistics on methods used by workers to look for jobs.[2] Published in 1975, the BLS study was conducted in January, 1973, and was based on a nationwide sample survey of more than 10 million workers who looked for and found jobs in the preceding year.

Labor market penetration

Of those who used the ES system, the BLS survey reported that 13.7 percent said they found their current job through the public Employment Service system. This ratio dropped to 5.1 percent if surveyed job seekers who did not try to use the ES to look for a job were taken into account.

To some degree the placement rates reported in the BLS study probably understate the effectiveness of the ES in assisting jobseekers in finding employment. This understatement resulted from the fact that the survey questionnaire inquired only about how the successful job seeker found the current (or last) job in 1972. For example, let us assume the ES helped place a person in a job that lasted for 11 months before the worker was laid off, and then the individual found a temporary department store Christmas job for two weeks on personal initiative. In such a situation the ES would not have been listed by BLS as a successful method in terms of the way the survey results were tabulated. In all probability, however, the degree of understatement of ES success rates in the study was not likely to be significant.

While the studies described in the preceding paragraphs relate primarily to the 1960s and 1970s, there is no indication that the ES had achieved a significantly higher penetration of the labor market in the early 1980s. The May, 1985, National Council on Employment Policy (NCEP) paper on the ES states flatly (without indicating how this figure was derived) that "the Employment Service fills less than eight percent of all job openings in the nation."

The present paper is not designed to challenge the NCEP or similar estimates of ES penetration. However, it should be pointed out that the development of an estimate like that of the NCEP implies access to data on total U.S. job openings or job vacancies, as well as ES job placement information. At present there are no generally accepted valid published data on such job openings or vacancies by local area, state or for the U.S. as a whole.

A variety of pilot studies have been initiated on the subject of new hires and job vacancies over the past two decades, generally with limited or questionable findings. One such research effort, with some promising results in terms estimates of total new hiring

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Initial studies related to Employment Service (Hiring) Potential were conducted by the Nevada and California ES agencies. See ESP – The Nevada Employment Service Potential Project, by James Hanna, Nevada Employment Security Department, December, 1976 and Employment Service Potential: Indicators of Labor Market Activity, by Glenn Siebert, California Employment Development Department, 1977.

Jobseeking Methods Used by American Workers, Bureau of Labor Statistics, U.S. Department of Labor 1975, Bulletin 1886.

activity, was developed in the 1970s through labor department Employment and Training Administration funded research studies conducted by the University of Michigan.[4] The Michigan studies, however, could be interpreted as indicating that the NCEP estimate may, if anything, be somewhat on the high side.

In fact the University of Michigan research produced some estimates of total new hires data for the U.S. as a whole by industry and by state, derived from Social Security employment records. These data suggested that, in the late 1970s, the overall new hire rate for the U.S. as a whole was equivalent to about 90 percent of total nonagricultrual employment. If this ratio continued into mid 1985, ES labor market penetrations, measured in terms of jobs filled by the ES in relation to total job opportunities, probably was in the 5 percent range.

As noted earlier, their paper does not wish to quarrel with the 5-15 percent range of data commonly accepted as reflecting ES labor market penetration. Certainly the author has no better data to offer than those already described with respect to what proportion of all available jobs are filled by the public Employment Service. Nevertheless there is a real question as to whether these types of estimates are appropriate gauges to use as a basis for evaluating the labor market performance of the Employment Service. The author would like to suggest that these measures are indeed inappropriate for the reasons summarized below and that more refined measures are needed. Some possible approaches for this purpose also are discussed in the following sections of the paper.

Special hiring channels

The principal flaw in the most commonly used current measures of ES labor market penetration is that these data are computed in terms of placement data related to the total number of job openings in the U.S. economy. The problem with this type of analytical approach is that it does not adequately reflect how the U.S. labor market really functions in relation to the operations and services of the public Employment Service system. ES job finding activities and services are directed almost exclusively at helping unemployed workers find employment. At the same time, present labor market operations in the U.S. are structured so that a very large proportion of all job openings are filled by employed people—persons who have a similar job in another firm—rather than unemployed workers.

Special hiring channels and other research studies sponsored by the federal-state Employment Service system in the 1950s and 1960s suggested that of every five job openings available:

- three were filled by persons moving from one job to another without any intervening period of unemployment;
- one was filled by a person newly entering or reentering the labor force;
- one was filled by an unemployed worker.

It is not clear whether or not these proportions are precisely applicable to the labor market of the 1980s with its more highly technical job requirements and the very large infusion of women into the labor force over the past two decades. Nevertheless a quick perusal of the classified want ad employment sections of any large daily or Sunday paper clearly suggests that a large proportion of the ads are directed at employed workers who may be induced to transfer to a different employer.

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[4] *New Hires Rates—A New Measure*, Malcolm S. Cohen and Arthur R. Schwartz, February, 1979, and *Turnover and its Implications for Evaluating Employment and Training Programs*, Malcolm S. Cohen, March, 1979. Institute of Labor Relations, University of Michigan—Wayne State University.

At the same time there has been little evidence of any change in the Employment Service orientation of servicing primarily unemployed, rather than employed workers, in the recent past. Study after study in various states in the 1970s demonstrated that 95, 97 or 98 percent of all jobseekers using the ES were unemployed. Attempts to expand services to employed workers almost invariable were halted by protest from private, fee sharing agencies and other groups.

As a result, we have a labor market system that relies primarily on employed workers (and to a lesser extent new and reentrants to the labor force) to fill U.S. job requirements, and an Employment Service System that focuses predominantly on unemployed individuals. The ES generally does not compete in handling job openings that normally are filled by recruiting people who are already employed. Thus measures of ES labor market penetration—in terms of global data on jobs filled by both employed and unemployed workers—appear to be blatantly unfair.

An alternate approach for measuring penetration

If ES labor market penetration is measured in terms of the number of job placements made as a proportion of unemployed workers—rather than of all workers—finding jobs, then a graphically different picture begins to emerge of the importance of the ES labor market role. Usable data for making rough analyses of this type are available for comparison purposes at least on a nationwide basis: Employment Services Automated Reporting System (ESARS) and other records provide information on ES job applicants and placements, while summary data on unemployed workers who looked for and found jobs are provided through the annual "Work Experience Surveys" conducted by the U.S. Bureau of Labor Statistics. The BLS Work Experience Surveys are made each March, with results usually published in the following summer. While the two sets of data are not directly comparable, partly because they are collected on a different time frame basis (fiscal or program year for the ES information, and calendar year for the BLS), they do provide at least rough indicators of ES labor market penetration in terms of job placement assistance to unemployed workers.[1]

The BLS work experience surveys for 1983 indicate that approximately 23.8 million different individuals suffered at least one spell of unemployment during 1983 and 21.5 million in 1984. ES job applicant data for Fiscal Year 1983 (Oct. 1, 1982, – Sept. 30, 1983) and Program Year 1984 (July 1, 1984 – June 30, 1985) (15.6 and 14.9 million respectively) suggest that about two thirds of these individuals registered with and looked for work through the public Employment Service system in the past two years.

The BLS surveys also showed that 19.8 million of the 23.8 million workers with some unemployment during 1983 found or held a job before or after their period of joblessness. The equivalent figure for calendar year 1984 was 18.6 of 21.5 million. The ES placement totals (individuals placed) for approximately comparable time period FY 83 and PY 84) totaled 3.2 million and 3.6 million, respectively.

A quick analysis of these data suggest that about one sixth of the workers who were unemployed in 1983 and also worked during that year found a job through the public Employment Service system (3.2 million individuals placed equals 16.2 percent, or about

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[1] *A brief further discussion of ES placement data in relation to BLS work experience information is contained in Chapter VII of a report entitled Assessment of the Implementation and Effects of the JTPA Title V Wagner-Peyser Amendments—Phase II, Final Report, prepared in December, 1985 by Macro System, Inc., of Silver Spring, Maryland. The author of this paper was a co author of the Macro Systems report.*

one sixth of the workers who were unemployed in 1983 and also worked during that year found a job through the public Employment Service system (3.2 million individuals placed equals 16.2 percent, or about one sixth of the 19.8 unemployed individuals who worked sometime during that year). The corresponding figures for the 1984 period was almost one fifth the total (3.6 million individuals placed equals 19.4 percent—or close to one fifth of 18.6 million unemployed individuals).

Actually these ratios understate the ES labor market penetration in terms of placing unemployed workers. This is because not all of the 19.8 million jobless individuals in 1983 and 18.6 million in 1984, who also worked during that year, found a job after their spell of unemployment. Some worked earlier in the year and continued to be unemployed at the year end. These data should be refined to eliminate this group to develop a more precise estimate of the ES labor market penetration in terms of unemployed workers.

Corrections and adjustments

In addition, it would be appropriate in measuring ES job placement success if the BLS work experience survey unemployment total were reduced to take account of job attached UI claimants on temporary layoff. Such claimants generally are not seeking alternative job opportunities, and thus are not part of the overall clientele of unemployed workers who are looking for jobs through the public Employment Service System.

With these corrections and adjustments, the number of different individuals unemployed in either of the past two years (1983-1984) who found a job through the Employment Service System could easily exceed 25 percent. To restate this conclusion in a different manner, one fourth of all unemployed individuals who found a job during each of the past two years did so through the facilities of the public Employment Service System. This ratio relates solely to direct placement activities. It does not include persons who were not placed by the ES but also were assisted in finding jobs through such mechanisms as ES sponsored job finding clubs or job search workshops designed to sharpen applicant interview skills and job seeking techniques.

For the most part, persons likely to benefit to a greater extent from job finding clubs and other ES assisted, self directed job search activities are the more job ready, better motivated applicants. At the same time some research has suggested that, at least during the 1970s, the public employment service system was particularly significant as a job search mechanism and job placement intermediary for many categories of long term unemployed and hard to place workers.[6]

There is evidence that this tendency for hard to place unemployed to rely on the ES has continued into the 1980s. The previously mentioned Macro Systems study of ES operations under the Job Training Partnership Act Wagner-Peyser amendments found that this was one result of the increased emphasis on performance based contracting for JTPA job training operations. Such emphasis apparently has led, in some areas at least, to the selection of more readily placeable workers as potential training program participants, with many hard core unemployed individuals referred to the ES for possible placement or other services rather than to job training. In addition, even under performance based contracting, residual hard to place training program graduates who cannot be placed by training organizations frequently are referred to the ES for further assistance.

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[6] *See particularly a study by Arnold J. Katz, University of Pittsburg, on "Exploratory Measures of Labor Market Influences of the Employment Service," 1978.*

The general approach outlined earlier in this section of the paper for measuring ES labor market penetration in terms of services to unemployed workers probably can be replicated without undue difficulty by any state Employment Security Agency. Already available data on individuals placed represent the starting point. A methodology for deriving estimates of the number of different individuals unemployed during a year (not the average number of unemployed) was outlined in early ETA instructions on Labor Market Information to be included in "Annual Manpower Planning Reports" for use in implementing state and local job training programs. Finally, reexamination of currently available UI and ES records should yield data on job attached UI claimants who do not need placement assistance in relation to those who are actually seeking new employment. Such ES and UI data also should yield information suitable for making comparisons of placement success in placing unemployed workers in terms of duration of their spell of joblessness.

The present rough methodologies for developing data on each of the three key items for this analysis—the number of different individuals unemployed by state or area, the number of job attached UI claimants who are not seeking alternative employment and the length of unemployment of jobseekers placed through the ES—obviously need further refinement. State ES agencies may wish to consider whether this represents a worthwhile use of research funds available under Section 7(b) of the amended Wagner-Peyser Act.

Evaluating the quality of ES placements[7]

As noted earlier, the National Council on Employment Policy May, 1985, policy paper on the ES indicated that job placements by the public Employment Service "have come almost exclusively from low wage labor markets." The remainder of the present paper is designed to address this issue, and to examine various approaches to measuring the nature and quality of Employment Service placement activities as part of the system's overall penetration of the labor market. This discussion is summarized in terms of the occupational distribution of ES placements, wages of workers placed and placement duration.

Occupation distribution.

There is a general belief throughout employment and training operations and research circles, that ES job openings and placements are not reflective of the U.S. economy. This belief is based in part on comparisons of the occupational distribution of U.S. employment (as reflected by BLS or Census data) with similar distribution of ES placements. Numerous research studies and other evidence do indeed suggest placements largely tend to be concentrated at the low end of the skill ladder. However, comparisons of the occupational distribution of employment and of ES job placements provide a questionable basis for making judgments about the representativeness of Employment Service placement activities.

The primary shortcoming of such comparisons is that they fail to take account of the fact that most new hires result from turnover rather than employment expansion. The University of Michigan studies on the new hire rate cited previously, for example, indicated

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[7] This section is based, in part, on materials included in planning and staff papers prepared by the author while a USES official. One such paper was republished in the December, 1974, IAPES News under the title of "Common Pitfalls in Measuring Employment Service Performance."

that this rate averages about 90 percent of total nonfarm employment in the U.S. With employment expansion, even in good years, amounting to five percent or less annually, it is obvious that the overwhelming proportion of new hires are turnover related. There is, as pointed out in an ES staff paper cited at the beginning of this section:

> "much more turnover among low skill jobs—where workers have only marginal or no attachment to specific jobs—than among professional and related occupations—where there may be relatively long term ties to a particular employer. Thus professional and technical jobs may represent 15 percent of all employment, but perhaps only five percent or less of all new job opportunities. On the other hand, nonfarm laborers may account for only five percent of all employment but conceivably could be responsible for 15 percent of all new hiring possibilities. Thus, it would be fairer to compare ES job openings data with the occupational distribution of new hires or job vacancies, rather than with total employment."

Unfortunately new hires data distributed by occupation are generally not available. The Michigan studies on new hires, as previously indicated, did provide some breakdowns of estimated U.S. new hires by state and industry, but not by occupation. However, some hiring channel studies conducted under the auspices of the United States Employment Service in the early 1960s may provide a number of useful analytical clues in this regard.

These studies were based on new hires data for FY 1960 collected for eight areas (four small, three medium, and one large locality), analyzed in conjunction with data from the BLS-Census "Monthly Report on the Labor Force," and several university labor market studies.* On the basis of the studies, the USES published average monthly new hires and placement data for major occupational categories, utilizing the then prevailing structure of the second edition of the DOT (Dictionary of Occupation Titles). These data have been converted by this analyst into percent distribution terms to facilitate more appropriate comparisons in the context of this paper. These data are summarized in the table below:

Table 1
Percent Distribution of Average Monthly New Hires and ES Placements by Occupation*, FY 1960

Occupation	New Hires	ES Placements
Total	100.0%	100.0%
Professional and Managerial	5.3	3.4
Clerical and Sales	21.4	19.2
Skilled	13.3	6.8
Semi-skilled	24.8	17.6
Unskilled	19.2	38.8
Service	16.1	14.2

*Government and private household workers are not included.

The above table shows that if both turnover and new job employment opportunities are taken into account the ES was somewhat over represented in placements in the unskilled job categories and under represented among professional managerial, skilled and semi skilled occupational groups. However, the disparities are not as great as is the case in comparing the occupational distribution of ES job placements solely to employment by

*A summary of the findings of these hiring channel and related studies was published by the USES in brief paper on Employment Service Participation in the Labor Market, dated February, 1963.

occupation. In addition, the Michigan new hires studies suggest that the ES 1960 hiring channels analyses also may have underestimated the role and impact of turnover as a factor in new hires.

For comparison purposes the author has summarized below the latest data available to him at the time of the preparation of this paper on ES job openings by occupation in terms of the present DOT occupational structure. These data are summarized from national ESARS tabulations and relate to FY 1975. As this table shows there was not a marked difference in the distribution of ES openings/placements by major occupational groupings between FY 1960 and FY 1975. Nor is there readily available evidence of such major changes in the past decade in the occupational distribution of workers placed by the public Employment Service System. Unfortunately no later data are at hand on the occupational distribution of new hires.

Table 2
Percent Distribution of ES Job Openings Received by Major Occupational Groupings FY 1975

Occupation	Percent of Total
Total	100.0
Professional, Technical, and Managerial	6.2
Clerical and Sales	17.9
Service (Except Domestics)	14.7
Domestic Service	5.1
Farm, Forestry, Fisheries	21.8
Industrial and Other Blue Collar*	34.2

*Includes processing, machine trades, benchwork, structural motor freight transport, packaging, materials handling and other workers at all skill levels.

Wage rates.

Employment Service ESARS statistics on wage rates of job placements appear to lend credence to the comment in the National Council on Employment Policy paper that ES job listings "come almost exclusively from low wage labor markets." In Program Year 1984, for example, the average starting wage of individuals placed through the public Employment Service System totaled $4.46. While this was about 33 percent above the federal minimum wage of $3.35 an hour, it was still considerably below the average hourly earnings of all U.S. workers. Average hourly earnings totaled $8.58 for (calendar) year 1985. (This represents BLS compiled hourly earnings data for nonsupervisory workers in all U.S. industries, excluding government.)

Again, comparisons based on these types of overall averages are apt to be somewhat misleading. Apart from the differences in occupational distribution of ES placements and total U.S. employment discussed in the preceding subsection of this paper several other factors contribute to the wage rate disparities. First of all average hourly earnings of all U.S. workers generally include premium pay for overtime, at time and a half, while the ES placement data relate to straight time wages only. Another important consideration in looking at these figures is that earnings data also include pay increments earned by workers on the basis of seniority on the job. Normally most newly hired workers, even if they are experienced—whether hired through the ES or other channels—are not hired at a wage rate equivalent to the company average. They initially are hired at a somewhat

lower pay level and work up to the average as they accumulate time on the job. Finally, many companies prefer to hire workers at entry level occupations only and to promote from within—along specific career ladders—as such workers demonstrate they can handle higher skill responsibilities. Such companies particularly have new hires wage rates significantly below company wide averages for all of its employees.

Employment duration

The University of Michigan studies on new hires rate and turnover, which were discussed earlier in this paper, explored some facets of the duration of employment of newly hired workers, whether hired through the ES or other sources. As an amplification of the finding that new hires rates average 90 percent for all industries, the University of Michigan turnover study reported:

> "A turnover rate of 100 percent implies that most new hires last less than 12 months. From . . . (study) data it is possible to determine the duration of new hires. Permanent new hires last for 90 days or more. The ratio of permanent to total new hires varies . . . (by state, industry and wages). But on the average about two of every three new hires is not permanent and therefore lasts less than 90 days.

An internal USES follow up study on the duration of placements, conducted in 1974, suggested that the duration of ES placements was about in line with the overall averages for new hires as reported in the University of Michigan study. The USES study followed up with employers on 6,782 nonfarm placements (of expected duration of three days or more) in six areas some 30, 90 and 150 days after placement. The six areas covered in the study included Harrisburg, PA; Topeka, KS; Southwest Missouri; Corpus Christi, TX; Las Vegas, NV and Portland, OR.

At the 90 day standard mentioned in the University of Michigan study, 31.2 percent of all ES applicants placed were still on the job as compared with an average of "about" 33.3 percent for all new hires reported in the University of Michigan study. (The corresponding figures for the USES study for job retention after 30 days was 55.8 percent and 25.3 percent after 150 days.) Of who had left the job by the end of the 90 day period, three fourths had quit, one eighth had been fired, one tenth were laid off (because of changed business conditions or other reasons), and about one percent left the job for miscellaneous other reasons.

In summary

This paper has not attempted to draw any conclusions about how effective, efficient or representative the public Employment Service is as a labor market intermediary. It has suggested, however, that efforts to evaluate this, or to measure ES labor market penetration, be related to the primary market served by the system—the unemployed workers and the types of jobs for which such workers normally are hired. Research to evaluate ES labor market penetration should, therefore, be directed at measuring how useful the system is in assisting unemployed workers who are seeking employment to find new and suitable jobs rather than aimed at assessing ES participation in total hiring activities.

The latter approach, relating ES placements to global data on total job openings, in essence represents a measure of the in roads made by the public Employment Service System in securing openings for jobs customarily filled by employed workers. There are numerous institutional factors operating in almost all states and areas that inhibit any expansion by the public employment service into that sector of the labor market.

Part II: Reaching Out

The Employment Security System has been maligned from many quarters for its lack of innovation and its adherence to tradition. The fact is many state Employment Security agencies are pursuing a myriad of unique and innovative programs to reach out to the employer community and others. The programs capitalize on the inherent flexibility in the authorizing legislation of the programs—the Social Security Act, state laws implementing Unemployment Insurance in the various states and the Wagner-Peyser Act as amended in the Job Training Partnership Act. The agencies have identified areas of need and have developed programs to answer that call. The following section presents a review of some of those programs.

The tested job match – Validity Generalization

by Jerry W. Pickett

The Job Service is pursuing a new aptitude testing program that will help employers select the best job applicants for virtually any job in the U. S. labor market. New wrinkles in vocational test research have demonstrated that the Job Service is able to refer applicants who can be expected to be more productive workers than was formerly the case because they are test selected. Along with an increase in productivity, this program also helps the individual job seeker. A Job Service applicant can find out the kinds of work in which he or she has the most potential for success. Too often a worker may have the potential for a variety of jobs but never pursues work other than in the narrow area where the individual entered the labor force. There may be hundreds of jobs for which these people could qualify if given an opportunity. And the bottom line is that these test selected workers do a better job for less total cost to an employer.

Why test?

Every employer wants qualified workers. Matching workers with jobs through the use of appropriate tests is one of the valuable services provided to employers by the Job Service. Testing will not solve all of an employer's problems, but it can help to improve the quality of the work force and reduce the high cost of labor turnover. Below is a table depiction of the effects of test selection on various personnel factors.

Jerry W. Pickett is director, Southern Test Development Field Center, North Carolina Employment Security Commission.

Turnover	
Tested	2 percent/month
Not Tested	5 percent/month
Production	
Tested	540 units produced
Not Tested	440 units produced
Training Cost	
Tested	$0.06/dozen items produced
Not Tested	$0.18/dozen items produced

Our experience demonstrates that test selected workers usually learn faster, stay on the job longer and produce more.

Advantages of Job Service Aptitude Tests

In a time when employers are accountable for hiring practices, tests are becoming increasingly attractive. Unlike many other employee selection standards, tests can be validated to show their relationship to job success. There are many good commercial tests; however, Job Service tests have some definite advantages such as: (1) broad occupational coverage, (2) complete documentation of test validity, (3) a nationwide program of continuing test research, and (4) no cost to employers. Job Service tests:

1. Provide employers with objective information about an applicant with which to help make a selection decision. More information can yield a better decision.
2. Can increase the quality of applicants—applicants who have the aptitudes necessary to be successful workers.
3. Can reduce labor turnover caused by ability related problems.
4. Can reduce training time and costs.
5. Can result in increased production and better quality work.
6. Provide employers a selection tool developed in conformance with Equal Employment Opportunity Committee guidelines.
7. Save employers time—interview only qualified applicants.

The new look

In the past the overall value to employers of the Job Services aptitude testing program had been limited because not all occupations were covered by the available selection tests. Using the best technology, tests have been developed to screen applicants for approximately 400 occupations of the more than 12,000 different jobs in the U. S. economy. However, during recent years, leading authorities in personnel testing have been working with the labor department funded Southern Test Development Field Center, an adjunct to the North Carolina Employment Security Commission, to determine if the results of research conducted over the past 35 years to develop test batteries for specific jobs could be generalized to cover occupations not directly studied.

The research findings show that this can be done. Aptitude test validities obtained for the approximately 400 occupations can be generalized to the other 12,000 jobs in the U.S. The research also supports the idea of generalizing tests on a geographic basis. Tests developed in one location may be used at other locations. Therefore it is now possible for the Job Service to assess the occupational aptitudes needed by job applicants for success in every type of work in our economy for every area of the country. In addition

to having valid tests for all jobs, the new system provides to employers more useful test results on applicants.

Under the previous system test results were reported to employers in three broad categories—H, M, or L. The employer could not distinguish among individuals within a category. The new system provides for tested applicants to be ranked according to the percentiles in which they fall. The report to employers includes the percentile scores of applicants. This more precise information will save time and money by permitting employers to select applicants who have the greatest productivity potential.

Employers now can obtain test selected workers for all jobs instead of a few primarily entry level jobs. They can receive precise information showing exactly where applicants stand in relation to each other instead of the ambiguous information formerly provided. These changes should have a dramatic impact on recruitment, screening, referral and the hiring of applicants.

This new look or concept is called Validity Generalization. This clusters the 12,000 occupations in the national economy into five job families. The aptitude scores of tested job applicants are converted to percentile scores for each of these five families. By ranking the percentile scores of individuals seeking work in the same occupation, their abilities to perform successfully on the job can be compared. The employer will be told how the applicants rank in terms of percentile score. For applicants who meet the employer's other hiring criteria, the percentile scores should make hiring decisions easier and faster.

Legal implications

There are several legal questions raised by the Validity Generalization approach. Is it permissible to use a test developed for one job to select workers for another job that may have somewhat different tasks? Is it permissible to use a test developed in one geographic area to select workers for jobs in another geographic area? In the only case involving U.S. Department of Labor tests that reached the court, the opinion of the judge supported the generalization of tests among jobs with similar tasks and from one location to another (Peques *v.* Mississippi). Another question involves the fairness of tests to groups covered by the Civil Rights Act of 1964. It was the same court's opinion that these were fair, and that they conformed to EEOC guidelines.

The referral process

Job applicants will be tested after they register with the Job Service. However, the following applicants need not be tested: (1) applicants handicapped in such a way as to prevent performance on the job in question or on the test, (2) skilled workers seeking employment involving only their specific skills (skilled craftspersons, typists, etc.) , (3) those seeking only temporary employment of short duration, (4) applicants from a different local office area or transient applicants, and (5) applicants who refuse to take the test. With regard to those applicants who are tested, employers who wish to see the test results will receive reports so that they may select workers.

Best available applicants are referred

The Job Service will refer the best applicants according to percentile scores. Applicants referred will be required to meet the employer's other hiring requirements. The report to employers (employer notice of test results) contains the name of the applicant, the job family in which the job falls and the applicant's percentile score for each job family

listed. With these reports the employer will be able to rank order applicants and select workers based on the overall criteria established for the job. If the Job Service office has been provided all hiring criteria used by the company the final selection should be quite simple since only those applicants who meet all criteria will be referred.

The Job Service will notify the employer of those applicants who qualify for referral. Those applicants who are to be interviewed by the company will be given an introduction card and will be instructed to report to appropriate company officials.

Should an employer choose to designate the Job Service local office as the sole source for referrals, the Job Service is prepared to assume that function. Obviously the overhead costs to the employer would be reduced significantly since prescreening responsibilities using company criteria would be assumed by the Job Service office. The employer's walk in traffic would be handled differently for sole source agreements. Persons applying at the company's personnel office for vacancies listed with the Job Service office could be given an introduction card and referred directly to that Job Service office. Once in the local office testing and other screening will take place. However, for large scale staffing, a company should refer for testing only those prescreened applicants who meet the company's other hiring requirements. Such applicants would then be merged into the bank of other qualified applicants available in the Job Service office.

Formal agreements may be desired

Should it be beneficial to an employer and a Job Service office a written agreement between the two parties can be arranged. The purpose of the agreement is to spell out to an employer what should be expected from the Job Service and what needs to be provided to the local office. The agreement is more informational than contractual. It may be cancelled at any time by either party. If the agreement is written carefully the respective responsibilities will be clear to everyone. It should ease transitions that may be necessary because of changes in personnel who administer the recruiting and referral process.

Your personnel banker

While the Job Service cannot function as a personal banker, it can help employers reduce training costs and increase profits. These savings can be achieved right in the company personnel office through the assistance of the personnel banker—the state Job Service.

The projected economic impact of Validity Generalization is far higher than the public and the employer community might realize. For small organizations dollars savings from higher productivity can amount to millions of dollars a year. Experts estimate that the potential savings to the federal government as an employer would be approximately $16 billion per year if tests were given widest use.

If the U.S. Job Service made its four million annual placements based on maximum use of the GATB, the potential increase in work force productivity would amount to between $50 billion – $100 billion per year. A recent analysis of the economic value of test selection conservatively estimated that employers using Validity Generalization procedures in a North Carolina pilot project saved $21 million in one year. Other benefits to this approach include an increase in the number of workers with promotional potential and an increase in quality of work.

The amount of productivity increase that an individual company can expect is dependent on five factors. These are: (1) the number of hires per year, (2) average job tenure, (3) validity of the test, (4) average salary per year and (5) selection ratio of applicants to hires.

If a company that hires 50 workers per year who have an average job tenure of four years, pays an average salary of $10,000 per year and has 10 applicants for each job opening, starts using tests rather than random selection the increase in productivity would be $704,000 per year. Test selection pays.

Summary

This paper started out reporting about more productivity for less cost. The benefits that accrue to the employer are substantial. They include a selection device, which is now available for all occupations in the job market, a reduction in personnel administration, no adverse impact, an increase in the quality and potential of workers and a significant increase in worker productivity.

The benefits also extend to job applicants. Testing leads to more meaningful job choices, thus eliminating lost time spent in pursuing jobs for which they are not suited. Employees should enjoy increased job satisfaction through an increased probability of success. Also, the public, and specifically job seekers, can expect that higher quality jobs will be available because employers will be more willing to give the Job Service a wider variety of job orders.

A final word on occupational aptitude tests is in order. The use of the General Aptitude Test Battery provides the employer with professionally validated tests for job selection that can be used with confidence without the employer undergoing the lengthy and expensive process of test validation.

The local Job Service office is available now to help get your personnel problems solved. Call the Job Service and ask for information on the new testing and selection service. It might save you a bundle.

Operational experience

Because economic and technical justification for Validity Generalization are compelling, a pilot test was initiated in North Carolina to develop operational procedures and to evaluate impact on performance. The evaluation period was Fiscal Year 1982 (Oct. 1, 1981 – Sept. 30, 1982), a time of declining economic conditions, stagnant hiring patterns and Job Service staff cuts. Even so, the results were uniformly positive.

Evaluation of the project consisted of: (1) Comparison of Employment Security Automated Reporting System data on production, penetration, testing, placements, etc., for VG offices against statewide totals and matched offices. Matched offices were selected on size of office and UI rates; (2) Employer survey designed to measure impact of VG on hiring practices and (3) A case study of staffing the Philip Morris Cabarrus facility.

ESARS data

Selected results of comparisons of VG local offices with other local offices and to a matched group of offices for FY 1982 are as follows:

	VG	Other	Matched
Number of Placements	+ 4%	− 22%	+ 20%
Penetration Rate	+ 23%	− 13%	+ 1%
Productivity	+ 18%	− 6%	− 6%
Referrals Made	+ 5%	− 17%	− 22%

It must be remembered that the period of evaluation was during economic decline in North Carolina as well as in most areas of the country. A four percent increase in

placements may be small, but in view of the large percentage decreases for the comparison groups the four percent increase can be considered significant.

Employer survey

The employer survey consisted of 195 employers who were familiar with VG testing in the Raleigh-Durham job bank area. A few highlights of the survey are: (1) Fifty percent of employers thought VG had made Job Service more useful in their hiring process; (2) Thirty-six percent of employers had hired VG referrals for different types of jobs since VG; (3) Fifty percent of employers hired a higher percentage of referrals under VG; (4) Sixty-one percent of employers who used VG said it had saved them money in training and other personnel costs; (5) Seventy-nine percent of employers who had not had the opportunity to use VG said they thought VG could save money in training and other personnel costs; and (6) Fifty-five percent of employers said VG had encouraged their willingness to enter a sole source hiring agreement with Job Service.

Case study: Philip Morris

The study by Philip Morris simply confirms the VG factual premises. Philip Morris compared applicants screened by VG against transfer applicants not test selected, their other successful operating plants and national averages. They were measured for effectiveness on training success, disciplinary action, safety, quality and production. The company concluded that, ". . . out of the 14 comparisons for which data was available the GATB screened new plant employees exceeded the comparison groups in 13 . . . On the (13) comparisons the average 'improvement' margin was a whopping 41 percent."

Data on the Philip Morris experience are illustrated in the following table.

VG TEST SELECTED WORKERS
VERSUS COMPARISON GROUPS

Measures of Effectiveness	% Improvement = **Imp.** % Reduction = **Red.**	**Comparison Groups**
TRAINING SUCCESS		
Competency Based Training Score #1	5.3% Imp.	• Sample of experienced "transfers" from existing plant
Competency Based Training Score #2	13.0% Imp.	• Sample of experienced "transfers" from existing plant
Operator Competency	2-17% Red.	• Other plants
Evaluation Failure	25% Red.	• Sample of experienced "transfers" from existing plants
DISCIPLINE		
Disciplinary Actions	58% Red.	• Other plant
SAFETY		
OSHA Incident Rate	33% Red.	• National Industry Average
	11% Red.	• Other plant
Lost Workday Severity Rate	88% Red.	• National Industry Average
	82% Red.	• Other plant
QUALITY		
Quality Defect Rate	25% Red.	• Quality Defect Goal Set by Management
	59% Red.	• Other plants

PRODUCTION

Production Utilization Rate Average	35% Imp.	• Production Rate Goal Set by Management

The evaluation made by the employer was as follows: "Overall, the new hires have more than exceeded expectations, and have created a workforce which can be characterized as faster learning, more disciplined, safer, more quality conscious and more productive. We would again like to thank the NCESC for their valuable assistance in helping us to select such a high caliber of employees."

Dr. Michael McKinney, the outside consultant who directed the North Carolina evaluation study, estimated the total value of increased productivity due to VG in the pilot area to be some $21 million and the cost to benefit ratio of testing costs to increased productivity to be $1 to $225. Because of the positive operational experiences, favorable hard data and enthusiastic employer response, North Carolina was the first state to expand the VG testing system statewide to all Job Service offices.

Expanding VG to other states

In order to verify the North Carolina results and to develop operational procedures for other settings, several other pilot projects were initiated at state request. Roanoke, VA, the most advanced at this point, has built on the North Carolina experience. Observing that North Carolina had not been able to do the optimal amount of testing, Virginia has introduced operational efficiencies such as group applications, interview scheduling, mass testing, microprocessor assisted file search and test scoring, and discouraging repeat visits. Virginia has been able to test more than 75 percent of its applicants and is using VG in almost all referrals. During the March-December, 1984, period placements increased 18 percent (versus three percent statewide). The fill rate was 60 percent (versus 50 percent statewide), and 69 percent of referrals were within three days of receipt of the job order (60 percent statewide).

In addition to North Carolina and Virginia, a number of other states have requested and received authorization to conduct VG pilot projects. VG is feasible at current staffing levels given scanning; modified applicant flow including less interviewing time and other time savers such as self application and, ideally, automation; and full commitment by top management.

Most of the VG projects are not yet in full operation. Their full impact has yet to be felt. Even so, employer interest is apparent and seems to be increasing. This is particularly notable in the automobile industry where Chrysler has hired a considerable number of workers using VG and General Motors has requested and used VG in several states. Three other large companies (Philip Morris, Hercules and Utah Power and Light) are known to have made multistate requests. There may well have been others. It is certain there will be more.

North Carolina's no fault, money back referral policy

by J. B. Harris

One fear of employers in need of personnel is that employees hired will not work out. The fear is not without reason. Employers invest time in the orientation, training and instruction of new employees. When a new employee fails, it proves costly to the business and often leaves the employee frustrated and again unemployed.

As a professional job placement interviewer you may pride yourself on an enviable record of good placements—making perfect matches of job openings and job seekers. In reality perfect matches are infrequent. Wouldn't you welcome an actual incentive you could offer employers to give your best applicants a chance to learn the job?

If you had an incentive that could reduce the employer's risk in hiring your applicants, you just might be able to increase your effectiveness. And you would save time now spent convincing employers to give your applicants a try.

The Employment Security Commission of North Carolina's Job Service placement staff has such an incentive to offer. It's called the 100 day no fault probationary hiring program. Employers who hire Job Service referred applicants may request a "noncharge" against their Unemployment Insurance rating for employees terminated during a 100 day probationary period due to a bona fide inability to perform the required work.

An inducement for employers

Since the advantages of the program can be offered by no other placement organization in the state, it can be a real inducement for employers to list job openings with the local Job Service Center. Here's how it works.

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The employer places an order with the Job Service Center for applicants. The normal selection and referral process is performed. The employer interviews, selects and hires in the standard way. If all goes well a successful placement is made; the employer's need is filled and the employee launches a new career.

If the new employee fails to display the aptitude or ability to perform the duties of the job, the company may terminate the employment at any time within 100 days. The employer notifies the Job Service Center of the termination by telephone or by mail. The employee returns to the office, has the work application renewed and if an unemployment claim was in progress, the claim is reopened.

The employer is sent a form by the Job Service Center that identifies the applicant and the original job order under which the applicant was referred. The employer certifies the last date worked, the employer's Unemployment Insurance account number and the employee's inability to perform the job assignment. The employer then mails the certification to the Unemployment Insurance state office where it serves as an uncontested non charging request. The state agency then is permitted to reopen the claim series without adjudication. This relieves employers of attending a hearing and protects the employer's tax rate and reserve account from any charges for any future claim that may be based on wages paid during the probationary period.

Employers like protection program offers

Wages paid during the probationary period may be used in computing monetary eligibility of a future claim if the wages fall in a new base period. However, as with any other non charged, socialized benefit amounts, they are not charged to the individual employer's experience rating account.

The employer likes the protection the program offers his tax rating and also appreciates not having to attend a claims hearing on the separation. The applicant appreciates the opportunity to try the job, and if unable to perform the duties, to reenter an existing Unemployment Insurance claim series without a question of eligibility based on the separation.

The challenge to our placement professionals is to use the 100 day probationary hiring program as a tool to obtain job orders and to place applicants. With good selection and referrals we get more orders. With placements we get more and better applicants, thus increasing the opportunities to better serve all segments of the economy.

The program also allows us to sell the exclusive listing concept since both improve the employer's ability to protect his tax rate while hiring new employees.

The use of noncharging for probationary employees originally was instituted in North Carolina law allowing a 60 day probationary period. Actual practice under the original provisions convinced the agency and the legislature that employee adjustment to a new job and supervisory evaluations often would be more successful with a longer probationary period. The 100 day period more nearly corresponds with the customary 90 day probationary period in industry.

Each state's Unemployment Insurance law is unique. In some states it may be more difficult to allow the state agency to offer a nofault probationary hiring program to its employers and applicants. If your agency is considering offering a probationary hiring program, ask yourself this question: Wouldn't you more likely buy a product that comes with a money-back guarantee?

The North Carolina agency has found the program to be simple in concept, easy to administer and well received in its employer community. Could the probationary hiring program be just the employer incentive your agency needs?

Outreach services to employers

by Linda Rutschmann

Outreach services to employers are as varied as the state Employment Security agencies that offer them. In recent years many chapters of the International Association of Personnel in Employment Security (IAPES) have joined with their agencies in an effort to augment these services to the financiers of the ES System.

Some of these outreach services include employer seminars, account representatives (or employer services representatives), video presentations and a myriad of written information such as brochures, pamphlets, flyers, posters and manuals.

What follows is an attempt to present a look at some of these services offered in various states, but is by no means intended to be an all inclusive list. Perhaps, whether you are a practitioner working in the system and looking for an innovative approach or an employer seeking ways to simplify or improve your business methods, you can find an idea that will catch your eye.

I. Employer seminars

IAPES has for nearly 75 years held professional improvement seminars for its' members. Until fairly recently these seminars contained information designed to help interviewers, counselors, claims takers and clerical personnel do their jobs better. Presentations were on topics such as Meeting the Public, Telephone Skills, Counseling Techniques, etc., and often were conducted by members of the agencies' staff.

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At the same time some ES agencies were meeting with members of the employer community in an effort to explain what services were available. The design of these seminars was to present information about the various components of the system such as Labor Market Information, Unemployment Insurance and Job Service. Most employers undoubtedly knew that they were required to pay a tax (FUTA, required by the Federal Unemployment Tax Act). Many probably did not know that this tax funded other services such as the Job Service and Labor Market Information. Many were unaware that in return they were entitled to certain services from these components.

Some of these services, which were available to large and small private employers, were screening of applicants for job openings, referral of qualified applicants, and voluminous amounts of material concerning labor supply and demand for making business decisions. These services were free for the asking, but many employers were not asking.

Then, in the late 1970s and the early 1980s, the staffing patterns of the Employment Security System began to change drastically with the advent of budget cuts from the federal level. With personnel being reduced, many agencies were forced to look for new ways to market their services and even to prove that the services that they provided deserved funding from the federal government.

Some employers who had utilized the services available from the ES system for many years joined in the fight to preserve funding for the system and its services. From this basic core the Job Service Employers Committee (JSCE) was born. Along with other allies, such as the Interstate Conference of Employment Security Agencies, Inc. (ICESA) and veteran's groups like the Veteran's of Foreign Wars and the American Legion, IAPES joined the effort to preserve the system.

The Louisiana chapter of IAPES held one of the first "employer institutes." Employers who were both funding and using the ES system were invited to participate in one of the chapter's annual meetings in an effort for workers in the system and "customers" of the system to get better acquainted. The idea was such a huge success that other chapters soon were emulating it. Other early users of such a program were Indiana, Kansas and Alaska.

Material presented in these seminars is usually much more generic in nature. Sometimes separate workshops or sessions are held with specific information of interest to employers including explanations of UI tax laws or information concerning Equal Employment Opportunity and other hiring practices. Some meetings or seminars feature sessions that are of interest to both employers and ES professionals such as stress and time management or how to deal with problem employees. Still others conduct workshops for exchange of information about what each group experts from the other, and how both may work together to enhance productivity.

A side benefit which was unplanned but perhaps the most beneficial, is the opportunity for employees of the ES system to meet and talk with employers in after hours, informal settings. Many employers have become members of IAPES and members of both groups have gained a much greater understanding of the problems of the other.

Many of the state agencies still present specific informational seminars to employer groups and make efforts to involve large numbers of employers. One example of this is the Missouri Division of Employment Security, which presents several seminars each year on subjects like, "Unemployment Insurance Tax Laws" and "Tax Contributions, Collection and Fraud." Often these are held in conjunction with or cosponsored by the local or state JSEC committees. Other states that present similar seminars are New York, North Carolina, Oregon, Texas, Utah and Washington.

Presenting information about the many types of services available through the various components of the Employment Security System continues to be a high priority of the

agencies. Meeting with employer groups in seminar settings such as these still seems to be one of the most popular ways to do that. One of the greatest communication tools that human beings always have utilized is face to face contact, and these seminars provide Employment Security professionals on both "sides of the fence" the opportunity to do that.

II. Account representatives

There are many names for this type of service to employers. Some states refer to them as Employer Services representatives, some as account executives. Whatever name is used the service is basically the same. One employee is assigned to provide services to each employer. When the employer has a job opening he contacts his assigned representative in the Job Service office. By now this person has had an opportunity to become familiar with the company and the type of jobs for which it recruits applicants.

This method of serving employer accounts saves time for both the employer and the personnel in the Job Service office. Neither one needs to take the time where an order is placed to go through lengthy questioning about what the job requirements are.

Many states offer this type of service and it has been so successful that many employers do not list their job openings through any other source.

III. Video presentations

In this age of television and video, the ES agencies have discovered a new method of communication with the publics they serve. Many have developed public service announcements to recruit job openings from employers or conversely, to recruit applicants for job openings. Still others are prepared to advertise specific programs such as summer youth programs, veteran's training programs or Targeted Jobs Tax Credit (TJTC) programs.

Some agencies have very successfully worked with local television stations in being the hosts of job telethons where people needing jobs call in and give their skill areas and employers are urged to call and list available openings so that successful matches may be made. These programs were highly visible during the high unemployment periods in the early 1980s, and are still utilized in the area of youth job placement.

Another approach to this same problem was for radio and TV station to offer a "Job of the Day" or an "Applicant Needing Work" spot at various times throughout the day.

Many agencies also have a regular press release program. These often report on monthly unemployment statistics both statewide and also in local communities. Some also contain information about labor supply and demand statistics for use in planning for new businesses or adjusting to seasonal changes.

Although not generally in video format, many states have developed regular newsletters for communications with employers. These report on changes in the laws affecting the employment area, new programs available through special grants and other information of interest to employers in the area. Some feature testimonials from employers who have been very successful users of services available from ES agencies.

Some agencies have available films detailing a laundry list of services provided, or information about specific programs such as tax laws, TJCT or Work Incentive (WIN) and Job Training Partnership Act (JTPA) programs. These may be obtained from the agencies for use at seminars or employer meetings. Others are available that provide helpful hints about such subjects as unemployment appeals or reducing costs by utilizing Job Service or Unemployment Insurance.

These video (and sometimes written) communications are another way in which the workers in the ES system attempt to promote their activities to the users (employers) of

that system. Their primary purpose is to urge utilization of services that the employers already have paid for through their tax dollars.

IV. Written materials

A prolific amount of printed material exists in the state ES agencies on nearly every subject of interest to employers. Here are a few examples.

Handbooks — California offers a handbook on "how to set up" an Employer Advisory Group. Indiana has available a handbook with information about JSEC and how to organize a JSEC group. A 29 page booklet available from Iowa explains the rights and responsibilities for jobless workers who want to receive UI.

Nevada offers "A Good Place to Live and Do Business," a 30 page book promoting new business. In Oregon a workbook on managing time, work and yourself is titled, "The 24 Hour Time Manager." Several agencies offer manuals detailing the preparation of resumes. Other subjects that seem particularly popular are information regarding ES law and outlines of available services.

Brochures/Pamphlets — A pamphlet offering information concerning layoffs and assistance available to employers on how to assist employees in dealing with this area is offered by Arizona. Delaware has available a brochure explaining Validity Generalization. Kentucky offers a publication that explains many programs and services available to veterans.

New Hampshire has a pamphlet explaining the national job bank system, and New Jersey offers information about he WIN/OJT (on the job training) program. Other information available in this format includes explanation and promotion of the TJTC program, information about testing services, services for dislocated workers and services available to displaced agricultural workers. Many other subjects are covered by state agencies and are available to interested parties, usually for the asking.

Flyers/Posters — Employers who want to attract the attention of jobseekers will find many materials at their fingertips. One available in Kansas and Nevada advises applicants that all applications for the business are taken at the local Job Service office. Wisconsin offers a poster with information on unemployment benefits and a request reply card to be sent. Posters required by federal law to be displayed in businesses (these generally concern non discrimination statements) often are available in several languages.

Other flyers and posters detail information about specific programs such as TJCT and youth employment.

Forms/Certificates — Items available in this area include sample resumes and applications, certificates of attendance at training seminars and vacation schedules or calendars to assist employers in scheduling employee's time off. Again, most of these are available for the asking, and interested persons should contact their local Job Service or Unemployment Insurance offices or the state agency headquarters located in the capital city.

Much of the above material was obtained from a publication entitled *JSEC Clearinghouse:* a catalogue of employer information materials from state Employment Security agencies. This publication was compiled and is maintained for the Employers' National Job Service Committee by IAPES and is available from the headquarters office in Frankfort, KY.

V. Summary

Although it has always been important for state agencies to provide and to promote services available to employers, in recent years it has become even more so. Agency

administrators (through ICESA), on line personnel (through IAPES), and employers themselves (through JSEC), have become much more cohesive in their efforts to promote the Employment Security System. One way to do this has been to devise new types of services to employers, and another is to more aggressively promote those that have been available for many years.

Employers have become more involved in asking for services and agencies have become much more responsive in providing them. The bonds of partnership that have been formed between the two groups should be a plus for all involved and interested in the preservation of the Employment Security System.

Employers' Unemployment Insurance rights and obligations

by Pamela Erickson Gervais

Any public administrator today must be concerned with the fundamental issue of fairness. That is what characterizes quality public service. However, it is not enough to simply institute the standard elements of fairness: rules, written decisions and an appeals mechanism. One must step out of the role as a public official into the shoes of the public served and ask whether the system is fair from that perspective. Voluminous rules written in a small print in "bureaucratese" will not inform people of the "rules of the game." A hearing conducted by an autocratic referee who intimidates the parties will not provide a person a real opportunity to challenge an agency decision.

The unemployment Insurance System is complex. It is characterized by heavy workloads and short time frames. In such a system it is sometimes tempting to merely provide the forms of fairness and not worry about the substance. This article describes the experience of the Oregon Employment Division Hearings Section in grappling with the problem of trying to provide a system that is fair in both form and substance. While the article describes efforts made on behalf of one clientele population, similar efforts have been made for all other population groups served. Fairness dictates that equal efforts must be make for all.

To provide a system that is fair, one must first understand what rights exist and why they are there.

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What are employers' rights and obligations?

In general, employers have the same rights and obligations as do claimants. They have a right to obtain information about the UI system and how it works. They have a right to receive a written decision regarding a claim or tax determination when the decision affects their interest. They have a right to an appeal of the decision before an impartial tribunal. Employers have an obligation to provide accurate, complete and timely information concerning benefit and tax matters affecting them. In some states, such as Oregon, the employer must return particular forms concerning a claim within a deadline in order to preserve the right to appeal a decision on that claim.

Why have these rights and obligations been established?

The rights enumerated above are now commonplace for most interested parties dealing with a variety of governmental agencies. But that was not always the case. For many agencies, such rights were established with the promulgation of the federal Administrative Procedures Act or state laws on administrative procedures. The UI system established an appeals procedure from the outset. Although it was set up with claimants in mind, all states have extended the right of appeal to interested employers. The rights accorded employers today are in accordance with the broad purposes of administrative law.

The primary purpose of administrative law is to improve the quality of government decisions. By borrowing some of the standards of fairness from the judicial system, administrative law establishes some basic quality standards for government decisions. The first of those is that the decision making process be open to public scrutiny. This means that people who are affected by decisions are entitled to information about the system, how decisions are made and the rationale used in making them. In an open system decisions made without a reasonable basis can be more readily challenged by those affected. This operates as a check against arbitrary action.

The second standard is that decisions must be made on the basis of published rules. In that way everyone knows the "rules of the game" beforehand. Furthermore, when there is a formal rule making process, rules cannot be charged at whim. This gives the public some certainty about what will happen in a given set of circumstances.

A final standard is the right of an individual to challenge the agency decision at a hearing. At the hearing the individual has certain basic procedural rights, as well as a right to an impartial decision based on the evidence presented at the hearing. It is, indeed, a credit to the founders of the UI system that these standards basically have been in place since the outset of the program.

Because the rights of employers are designed to ensure quality agency decisions, it is in everyone's interest to see that these rights are protected to the utmost extent. In the long run it will save time and create a good public image for the agency. Provision of good public information materials will keep employers informed, encourage them to provide information when needed, cut down on misunderstandings and free staff from answering a lot of questions. A good set of rules that are strictly and fairly enforced will provide stability to the agency and will gain confidence from the public. An appeals process that is open, participative and that issues impartial decisions based on the evidence also will improve the public image of the UI program.

The difficulty in fulfilling obligations to employers, as well as to claimants, is that the UI system is complex and often hard to understand. The appeals process is frequently intimidating and fraught with legalese. Employers often are not aware of their rights and sometimes have to be convinced that it is in their interest to find out about them. For

these reasons the job of fulfilling obligations to employers is not an easy one, but is of critical importance for maintaining a quality UI program.

How to fulfill obligations to employers

In Oregon, the Employment Division Hearings Section decided to embark on a program to make the hearings process more understandable and less intimidating, and to assist parties do a more effective job in presenting their case. We reasoned that if all parties did a better job at a hearing our job would be easier, the system would be fairer and more of the critical facts in a case would come out. To accomplish these goals we looked at what was needed by the various parties appearing before us.

For the employer to operate effectively within the Unemployment Insurance System, two things are needed: knowledge and skills. Employers need to know how the UI system works and how it affects their interests and their rights. They need skills to exercise these rights.

To provide employers an opportunity to improve their knowledge and skills basic educational materials are required. These materials must be easy to read. This requires the difficult task of explaining a complex system in simple terms. It isn't easy, but it can be done.

The first step was to improve the readability of instructional materials. Since the average reading grade level of the American public is generally considered to be grade eight, we set that as our readability level. We began with the revision of a brochure that explains the hearing process and gives information about a person's rights.

The Oregon Executive Department has a readability program whereby one can submit samples for analysis. The samples we submitted were analyzed by two different readability scales. The first was the Flesch formula, which measures sentence length. Any sentence of more than 12 words and which contains more than one word of four or more syllables is not easily understood by the average reader. Of the three samples we submitted, they tested out at the 11, 7, and 13 grade levels. While we didn't do too badly, the reading level was higher than we wanted. (Incidentally, we were told that most government publications go off the high end of the scale!) Fortunately, sentence length is easy to remedy.

The second scale used was the Dale-Chall formula, which measures vocabulary. The formula consists of lists of words that are understandable to people at various grade levels. On this scale our samples tested out at grade levels 10, 9, and 12. What surprised us were some of the words generally not understandable to those who read at the eighth grade level.

The results of this test made our job much more difficult because many of the words on the Dale-Chall list are ones that we use every day to conduct business. In rewriting our materials we used simple words whenever possible. For example, we used "lawyer" instead of "attorney;" "ask" instead of "request;" "ask questions" instead of "cross examine." We did not attempt to find other words for such terms as employer and claimant since we figured the Unemployment Insurance System would educate people about those terms by the time they got to a hearing. We simply couldn't avoid using some of the words on the Dale-Chall list. Consequently, we explained those terms the first time we used them. A good example is the term "subpoena." We first described what a subpoena is and then explained the person's right to ask for one.

Basic concepts of the hearing process

In addition to improving the readability of our materials, we changed a lot of our assumptions. We decided not to assume that people knew anything about the hearing process. Therefore we endeavored to explain basic concepts at the beginning of all

materials. For example, we developed a handout entitled, "Unemployment Insurance Hearings, How to Prepare and Present Your Case." That document begins with an answer to the question, "What is a Hearing?"

We made use of different formats to make all of our documents more understandable. We adopted a question and answer style for explanatory material. In that way a person can skim the material quickly to find the information needed. Our decision formats were changed to place a synopsis of the result at the very beginning. For example, each decision has a phrase such as this centered at the top: "The claimant is allowed benefits." That statement is followed by the detail of the case. Thus, the parties do not have to search through the decision for the result. In order to explain to parties how to appeal a referee decision, we developed a sample letter of appeal. We also used the question and answer format beginning with "I don't agree with the decision. What can I do?"

The second phase of the program was to expand the number and types of informational materials available to the parties. For employers specifically, we developed two resources. One was a paper entitled, "Unemployment Insurance from the Employer's Point of View." This paper gives information about how to avoid claims in the first place, as well as what to do if a claim is filed and how to prepare for a hearing. For those employers who desire a thorough understanding of the hearings process we developed a half day seminar. The seminar covered the following topics: an overview of the Unemployment Insurance System, a detailed explanation of the hearings process, basic due process rights and the law on quits versus discharges.

Toward the end of the seminar there was a mock hearing followed by a "you be the judge" exercise. In the exercise members of the audience got a chance to use their newly acquired knowledge to make decisions on different kinds of eligibility decisions. The seminars were developed by referees and their supervisors working together and offered through the auspices of the Job Service Employment Committees (JSECs). The seminar was not only valuable to employers but also to the referees who participated. They had a chance to discuss employers' concerns in a completely different atmosphere than the hearing room.

In an attempt to reach as many people as possible with our instructional materials, we had to consider some other factors. One was that distance prevented many people from attending seminars or stopping by a local office to pick up written materials. A solution to that problem was an audio tape accessible by telephone. The tape was developed for the Oregon Bar Association's Tel-Law Library. The library operates through the use of a toll free telephone number. Anyone can call this number during the week and on weekends. They simply ask to listen to one of a series of audio tapes on a given topic. We developed an eight minute tape on the UI hearings process. We wrote the script and the Oregon Bar Association provided a speaker to prepare the actual tape. Thus the cost to us was minimal.

Developing a videotape

The final instructional tool was a videotape. It originally was developed with claimants in mind, but was proven to be just as useful for employers. Because it is important to provide equal resources and assistance to all parties, we needed something for claimants comparable to the seminar for employers. However, it is difficult to find a group of potential claimants who will attend a seminar. Therefore, we decided to develop a videotape that could be available for viewing at any of our 30 local Employment Division offices throughout the state. In developing the tape we contacted a local community college. It agreed to provide the technical support to produce the tape if we allowed some of their

students to appear in it. Prior to making the tape we researched videotape production. This changed some of our decisions about what to do. First, we decided not to make it longer than 20 minutes. It seemed unlikely that we could keep someone's attention much longer than that. Second, we decided to hire a professional narrator. We read that the public is not favorably impressed with "home movie" type productions because of the fact that they are constantly exposed to highly professional products. Professional narrator are actually not very expensive because they can often read the script once and the job is done. This only will take an hour or two of their time. We felt it was money well spent as it greatly enhanced our product.

The videotape we completed lasts 18 minutes. It portrays a hearing with the narrator explaining what is going on, as well as giving advice on how to prepare for the hearing. The cost of tape copying has decreased to the point where we can sell a tape inexpensively for $10. We have found that many employers prefer to purchase a copy for their own use. The tape is designed to show people what to expect. If they actually can see what a hearing is like, it should be less intimidating. The tape also is used as a training tool for Employment Division Staff. It also is useful for local community group meetings, such as the Chamber of Commerce or other groups with a number of employers in it.

Once our educational materials were prepared we needed to make sure that they were being used. We used several methods. First, we made use of group contacts to let people know about seminars, the videotape and other materials. The Job Service Employment Committees were our most valuable resource for this purpose. Our hearings staff have met with virtually every local JSEC in the state to provide either a seminar or a showing of the videotape. When the videotape was complete, we send a letter to a large number of groups, service agencies and large employers. The letter told them about the tape and provided an order form for purchase. Each local Employment Division office was visited by Hearings Section staff to explain the purpose of our educational materials. Local office were encouraged to use and promote them. Finally, we made use of the media whenever possible. We issued a press release when our educational materials were complete and ready for use. We contacted a local consumer advocate columnist who agreed to write a column on our efforts to inform the public. We readily accepted speaking engagements when asked.

Although our program only recently has been put into effect, we already have seen the benefits. Our public image has improved. We regularly receive compliments from people who used to be our most vocal critics. While we don't feel our work is done, we do feel we have done a lot to improve the fairness of our system.

Minnesota's mass recruiting services

by John H. Iverson, Karen A. Karkula and Virginia Hiniker

In past years the Minnesota Job Service has operated mass hiring programs in various areas throughout the state. The Minneapolis Office's Employer Services Unit has been the most prolific due to the size of the area as well as its relatively healthy economic climate as compared with other parts of the state. The mass hiring or employer recruiting effort has been designed to complement the efforts of the governor in attracting new business and expanding existing business in Minnesota.

The operating ideas presented in this paper have been developed primarily for the Minneapolis area, but could be modified for use in almost any kind of setting. In addition, the paper includes some recommendations for a statewide program that includes a coordinator and a more active relationship with the Minnesota Department of Energy and Economic Development (DEED). In this paper mass hiring is defined as (1) the hiring of new staff, or (2) adding to an existing work force, in large numbers of new employees. This can be achieved by a new employer locating to an area or by an existing area employer opening an additional location, branch or through expansion.

Locating employers

Job Service staff must become knowledgeable about new developments. This can be achieved through contacts with various organizations such as Job Service Employer

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Committees (JSECs), Private Industry Councils (PICs), Chambers of Commerce, the reading of business and trade journals and by developing a working relationship with various economic development agencies.

In addition, informal communications are important sources of information. This can include an "educated grapevine" as well as watching construction sites for signs of new industry entering an area. Employers who have received and been satisfied with the services received will tell other employers of the service. Often new area employers will hire their personnel unit from within the area and industry. This is especially true in the hospitality industry.

Last year the commissioner of the Department of Economic Security (forerunner to the Department of Jobs and Training (DJT)) and DEED met to coordinate the parallel activities of the departments and to provide a combined approach in the identification and delivery of services to employers. In Employment Programs Directive #7500-1, Feb. 28, 1985, "Cooperative Efforts Between Economic Security and the Department of Energy and Economic Development," Job Service area managers were instructed to initiate action at the local level to communicate with DEED's assigned business finance specialists so that information on potential business development, expansions or reductions could be quickly communicated.

Marketing the service to employers

In Minnesota Job Service has developed a promotional campaign using the theme, "Reach for the Best." In conjunction with that campaign a videotape has been developed by Nick Clark of the Public Information and Education (PIE) section of DJT.

This employer oriented videotape discusses the services available including the employer recruiting process. This 11 minute tape presentation, using professional actors from the Guthrie Theater, has been shown at various meetings where employers are in attendance such as the Minneapolis and St. Paul Chamber of Commerce.

The "Reach for the Best" campaign is a six month campaign of marketing the Job Service to employers. It includes an intense series of events directed to employers and Job Service staff, including radio, television, print placements, brochures, media tours and employer motivational events. The goals of the campaign according to Rick Naymark, director of PIE, would be to:

- Increase and broaden employer use of Job Service.
- Introduce new employer services.
- Motivate Job Service employees to better serve customers.
- Improve and modernize the overall image of Job Service.

The expected outcomes would be:

- Moving people off Unemployment Insurance and into jobs more quickly.
- Improving department employee pride and sense of purpose.
- Strengthening the argument to retain and not further curtail or abolish Job Service.

The employer recruiting concept also can be sold to employers using the special incentives available to the agency such as Targeted Jobs Tax Credit (TJTC), test match (Validity Generalization), Labor Market Information (LMI), automated resumes, etc. The deciding factor in many instances, however, is the cost savings by using Job Service staff during recruitment.

Minnesota has an extensive Omnibus Jobs Bill, Laws of Minnesota, 1985, Chapter 14, Article 9, which includes many special programs such as the First Source Employment Referral Agreements. Section 47 of this bill requires employers to list with Job Service

all job vacancies if the employer has received a grant or loan in excess of $200,000 from the state. This relationship is developed contractually by the Job Service office and is an opportune time in which to discuss all of the services available.

Operations

The operating ideas have been developed through many mass recruiting efforts. They have proven to be efficient and cost effective.

Initial contact is made with the employer based on information on new or expanded facilities in an office service area. A letter is sent to the corporate office or headquarters offering the services of Job Service. Special incentives can be outlined. After the employer positively responds:

a. Determine the number of persons to be hired.
b. Discuss the types of openings to be available.
c. Obtain application forms from companies to check for compliance with discrimination laws.

The second step is to meet with the employer to decide on the method of mass recruiting to be done:

a. On site recruitment (most desirable).
b. Use of area office for interviews (dependent on size of office, number involved).
c. Rental of hall, auditorium, etc., for hiring activities (company pays).

Additional questions include how many Job Service staff will be needed? Will the employer have a second interview at the time of recruitment or later? Will JS staff provide phone follow up? Will clerical back up be provided by the employer or JS? How? When will final hiring take place? Who will provide basic supplies such as pens, phone books, etc.?

The third step is to obtain thorough job descriptions for preparing job orders. Generally it is best to have one staff person be accountable for this. Offices should be made aware of this recruiting effort by memo, electronic mail or other method. The order writer should be available to answer questions. Orders must be written in a definitive manner so that pre screening by referring staff is as tight as possible. Employers are not able to interview large numbers of referrals so persons referred must be qualified. All referrals must be documented to ensure proper placement credit.

Fourth, notification of community agencies, veterans groups and other special interest groups for protected classes should be done at least two weeks prior to recruitment. If an employer has indicated a strong wish to meet affirmative action requirements a meeting should be arranged between the employer and the appropriate groups. This meeting should take place a week before the recruiting. Community centers in inner city areas can be used for part of the recruiting. An up to date mailing list of agencies should be maintained in the area office.

Fifth, staff to be used for the mass recruiting should be selected at least two weeks in advance. A trained staff is the most desirable. All staff should be volunteers. In the case of union contracts the provisions of the contract must be followed so the staffing situation may vary depending on the contract provisions regarding overtime, change of work station, etc.

Hours are usually longer than eight per day, so the use of special shifts, weekends and overtime can be expected. Due to the generally hectic atmosphere of a mass recruiting, careful scheduling is necessary. Attempts should be made to schedule those who travel to and from work together on the same shift. Lunch time and break times must be assigned

and adhered to in order to provide floor coverage. The staff selected should be given at least one training session, with the employer in attendance, so that standard methods of screening and job information are possessed by each staff member. One or two extra staff members should be trained as substitutes. The selection of staff is perhaps the most important task of the project. With each mass recruiting one learns who can function well under extreme pressure.

Many otherwise excellent staff do not hold up under these circumstances. The obvious traits of intolerance and chronic tardiness automatically should rule out some people. Maintaining a dress code for interviewers is desirable as the staff represent Job Service to the employer and the applicant. Also the media is often in attendance so appearance is important because of the exposure to the general community.

The sixth step is to ensure that the period of recruiting must be well planned and coordinated with the employer if it is to be successful. The basic logistics of applicant traffic flow, application checking and positioning of clerical back up staff must be worked out in advance. If there is to be media coverage, spokespersons must be preassigned. In cases of large, multi position recruiting it is usually helpful to have certain types of jobs interviewed on certain days. Long hours must be arranged to reach those currently employed. The basics, such as restroom locations and lunch and break areas, must be arranged in advance. Crowd control is also important. If waiting periods for interviews start taking longer than an hour, traffic should be curtailed by having applicants return at another time. The employer will find it beneficial to have employee pamphlets explaining benefit packages and employee regulations available in waiting areas. In selecting recruiting locations, access for the handicapped, multiple exits, restrooms and ample parking must be considered. Any setting that can be reached only by elevator should be ruled out due to the volume of traffic. On site recruitment has some definite advantages. Having persons interviewed in the not quite completed work setting has large appeal and actually contributes to esprit de corps.

If a relatively small number of openings are being filled with a smaller applicant population expected, use of a Job Service location can work out very well. It should be made very clear to the employer that any property to be rented will be the employer's responsibility. The roles of the reception/traffic control staff must be clearly defined, making certain that adequate coverage is maintained. If the employer is providing staff, that staff must be included in any lunch or breaktime scheduling. The interviewer, of course, has the most important function in the mass hiring setting. Careful screening against the employers specifications is important. Each staff member should have copies of all job orders and a staff time schedule.

For the seventh step Minnesota has developed a special application (MDJT -511R) for employer recruiting. This application is to be used in conjunction with an employer's application, which includes the work history. The application provides the necessary statistical data to the Job Service and has a tear off referral area that is given to the employer informing him of the programs the person may be eligible for along with a verification area. The application is available for veterans (salmon) and non veterans (white). It is imperative to give veterans priority in the initial referral process. On site efforts should be made for priority service including the use of veteran's staff in order to expedite the referral of veterans. The referral cards for veterans are also salmon colored so it is important to make the employer aware of Job Service's commitment to this group.

Eight, after the recruiting is over, the Job Service staff often have the possibility of further involvement in the hiring process. First, the staff may be called on to contact the applicants either to notify them that they're hired or to set up additional interviews. Some employers will do a second interview after initial screening by Job Service. Others will be hired based on Job Service's recommendations. It is important to do follow up with the employer in order to retrieve placements, but also to reinforce a positive relationship.

Regular follow up with the employer is necessary as many persons hired at the recruiting will not remain on the job. This will require reopening job orders. This also may be an ideal time to establish an exclusive recruiting agreement if one is not currently in force.

Recommendations

Ideally this type of operation would be coordinated on a state level. The practicality of this would depend on the funds available and whether or not there is enough mass recruiting potential in the state. A statewide coordinator would be the chief organizer.

In the field the service provider would be comprised of a district coordinator who would be responsible for organizing the operation on the local level. This person would work with the statewide coordinator and would function as the lead worker for the project. In Minnesota there are six districts, therefore, six district coordinators would be proposed.

The project coordinator's (statewide) duties would include, but are not limited to the following:

1. establishing an ongoing working relationship with various economic development groups whether state, local, private non-profit or other in order to encourage companies to use the Job Service when expanding or moving into Minnesota;
2. developing a packet of materials to be used in conjunction with number 1;
3. establishing relationships with various applicant groups such as veterans groups, organizations concentrating on minorities, the handicapped and other "special" applicant groups;
4. establishing relationships with employer groups such as Job Service Employer Committees (JSECs), private industry councils (PICs), chambers of commerce, etc;
5. writing a handbook for field staff indicating how a mass recruiting project is implemented;
6. making initial contacts with companies anticipating expansion or relocation into the state, informing them of various incentives and the services of the agency;
7. providing support to the field staff regarding employer services under mass recruiting programs including travel to the area;
8. collecting statistical data from such projects to evaluate their efficiency and cost effectiveness;
9. initiating advertising and public relations plans in conjunction with the Public Information and Education Section (PIE);
10. establishing a relationship with the Department of Vocational Education in order to establish short term training programs needed for expansion;
11. providing Labor Market Information including labor force composition; salary information to employers using department salary surveys;
12. presenting information to interested groups either in writing or by making presentations in order to market Job Service in general and mass recruiting in particular;
13. ensuring that Job Service does not lose its identity in the process by using various display materials that could be purchased depending on the funds that are available.

In summary, the employer recruiting service can be viewed as a valuable service to employers who are expanding their staff at one time. It is not practical for a company to increase its personnel office for what may actually be a single occurrence.

The service allows Job Service to improve its image with the local media and to receive wide exposure in the state through television and radio coverage. In addition, it is a highly visible service to an employer that could result in a stronger role in future hiring for a given company as well as a way to bring new business into the agency.

Colorado's jobs network partnership

by Dee Campbell

In the summer of 1983 a subcommittee of the private industry council, was formed of private and public sector individuals from the five counties in Colorado's Region IX planning area who wished to study the problems of area human service providers and to create solutions to these problems. The group withered away after a while because it evolved into a forum for agencies causing private membership to decline. Finally the group disbanded.

Mary Layton, director of Western Colorado Training and Employment Job Training Partnership Act and the author, Region IX Job Service Center manager, both of the original group, jointly desired a model that would: (1) coordinate clients between agencies to provide a labor pool; (2) increase the utilization of the computerized Employer Information System; (3) utilize unemployment data and job bank data to assess the effectiveness of programs; (4) provide sales/marketing training for employer relations representatives and (5) provide a model to eliminate duplication and costs of participating agencies.

We determined exactly what we hoped to accomplish in a partnership effort, designed the program and submitted the Southwest Colorado Jobs Network Partnership to the Governor's Job Training Office for potential funding of a coordinator for the project. In 1984 a request for proposal was submitted requesting Wagner-Peyser 10 percent set aside funds for special projects promoting ES-JTPA partnerships. The goals of the Region IX project are the following:

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1. To establish an employer relations network between agencies;
2. To establish an account representative system between agencies;
3. To implement the CDET-EIS (Colorado Division of Employment and Training-Employer Information System) to track all employer relations activities;
4. To increase the quantity and quality of job orders by informing employers of the larger labor pool and services available through the combined resources of the cooperating agencies;
5. To increase the service provided to cooperating agencies' applicants by offering greater job opportunities;
6. To make Job Services responsible for input and access of all EIS documents into the computer systems for all cooperating agencies;
7. To establish a model for an employer relations network in rural Colorado.

Services agree upon basic goals

These basic goals were agreed on by Job Service, JTPA, Colorado Division of Rehabilitation, Colorado Department of Social Services, San Juan Basin Area Vocational-Technical School and Southwest Community Services.

Utilizing the information given by each participating agency, a menu of services was developed, and each agency's responsibility to the partnership was assigned by a series of nonfinancial agreements by the lead agencies—Job Services and the JTPA vendor, Western Colorado Employment and Training.

A coordinator was hired with grant funds for one year (September, 1984 – September 1985) to oversee the project. In October, 1984, an employer relations account system was established by means of an employer selection form that was circulated to each employer account representative. On this form the representatives listed area employers with whom they preferred to work.

At a meeting of the employer account representatives the list was pared down to avoid duplication of effort. It became essential for the EARs to contact their employers not only to solicit jobs but also to obtain updated EIS information for the automated system.

Employer seminars were held in Durango and Cortez to provide employment and training information as well as an overview of partner agencies. It was felt that the identification of disaffected employers was necessary to bring them into the fold as potential assets in the job seeking process. As a result more employers began to use the partner agencies in the region.

The exercise of having interagency staff meet together and offer input to the partnership program gave the staff ownership of something exciting and productive. A directory of services was developed with state JTPA funds, and a common application from was developed and piloted in Region IX. The following example illustrates how it would effect the client:

> John Jones goes to Job Service seeking work. At intake he is given the common application form (ES-511, a computerized two page document) and informed of services available. It is completed with the aid of an interviewer. Several possibilities result:
> 1. Registered and referred to job opening;
> 2. Training needed—yellow page sent to JTPA (still registered at Job Service).
> 3. Training needed, not JTPA eligible, cross referral to vo-tech school;

4. Food stamps or other social service required, cross referral to social services or appropriate agency.

John Jones can receive services from partner agencies as appropriate.

Providing one-stop service

The partnership is helping to solve turf problems and provided one stop service delivery in order to end duplication, save resources and serve our client—the public.

The most important accomplishment of the network system is the streamlining of employer contracts. Instead of all agencies calling on a single employer only one account representative calls and shares the results with all participation agencies.

Through the network agencies knowledge of all programs is gleaned so that the EARs can market all systems to employers and applicants alike. Another interesting spinoff of the Southwest Colorado Jobs Network Partnership is the development and refining of adjacent programs, further linking the partners and recruiting new ones.

In the early winter of 1985 Region IX adopted a second project, the Colorado Veterans Partnership Program, designed by Scott Simons and John Nunnery of the Colorado agency. The CVPP is a group effort designed to improve the quantity and quality of services to veterans. It was found that many organizations provided services to veterans, but they were not communicating with one another. As a result 13 veteran service providers were brought together to explore ways they could collectively provide better service to veterans.

The objectives of the program are:

1. To increase and enhance services to veterans;
2. To avoid duplication of services;
3. To promote better communication and working relationships among agencies, organizations, advisory boards and veteran service organizations;
4. To focus the efforts of agencies and programs on common problems;
5. To provide a coordinated and comprehensive approach to servicing veterans in a local community.

The CVPP has blended well in Southwest Colorado with the Region IX Jobs Network Partnership, showing a gain of over 20 percent in veterans services over the past year. As in the network project, CVPP is forcing the service providers to communicate for the benefit to the veteran.

At the same time CVPP was getting underway in Region IX, Colorado Gov. Richard D. Lamm appointed Ruben Valdez, Department of Labor director, also the State Social Services director. This joint appointment afforded greater integration of Job Services and Social Services.

Program for AFDC recipients

Joseph Thompson, La Panta County Social Services director, Layton, and the author developed a proposal for a third project—a Job Intervention Strategy for La Panta County, one of five counties comprising Region IX.

The goal of JIS is to provide an alternative to persons applying for Aid to Families with Dependent Children. The model addresses the improvement and maintenance of self esteem and financial independence of applicants and recipients of AFDC. This goal is being achieved through the joint efforts of Social Services, Job Services, JTPA and Vocational Rehabilitation, the same partners as in the jobs network and support agencies for CVPP. Social Services is the lead agency.

The Social Services Work Incentive program caseworker is the case manager, and the ES, WIN representative is a permanent member of the team. The other agency representatives are called on if it appears that their agency might be affected.

The case manager has the responsibility of determining service eligibility, development of a case plan, authorization and coordination of service delivery, evaluation of service effectiveness, assessment of client needs and involvement in interagency employability development plans. The Job Services representative (WIN) determines job readiness, special employment needs and develops the assessment document.

The entry point for the client into the model is at the application or redetermination process at Social Services. During the initial interview the technician explains the alternative process and makes an immediate referral to the JIS team, at which time the job readiness assessment begins. During the assessment interview the Employability Plan is developed. The barriers to employment are reviewed by the team, and the jobs network attempts to secure suitable employment or training prior to grant approval.

The goals, as stated in the original proposal, were to find employment for at least 25 percent of all applicants as a result of the job intervention, and to refer at least 25 percent of all applicants to partnership agencies. All of the goals have been exceeded. The program is designed to continue should WIN be dismantled in the future, and only Social Service funding exist.

This intervention strategy model is an expansion of the current partnership programs in Southwest Colorado. The JIS will intensify its efforts on behalf of applicants for public assistance to gain and retain employment.

A word of caution

All three of these projects remain ongoing and are very successful—with no additional expenditures except for the original coordinator. This position possibly could be eliminated if staff time were available.

The majority of the employers have expressed approval of the projects, as has the partnership staff. They are easy programs to tailor for local needs, and easy to sell to agency hierarchy because they are inexpensive, they eliminate duplication, they provide desirable linkages and they better serve our clients.

One caution, however. As enjoyable and challenging as new projects are, the excitement sometimes can cloud long range issues. Be certain staffing and funding are secure for the existing mandatory programs that must be delivered before embarking upon a new system, as one could end up doing a great deal more with a great deal less.

Washington's training network

by Gary Gallwas

The Training Network is an innovative program begun in February, 1985, as part of Washington state's economic development efforts. It is a single source of information and brokerage assistance for new and expanding businesses in the state. The Training Network is located in the Washington State Employment Security Department (ESD) and receives funding from the Commission for Vocational Education (CVE). In its first 19 months the Training Network has worked with 185 businesses representing some 6,200 jobs.

Background

For 10 years Washington state has been going through a crucial period of economic restructuring marked by high unemployment, stagnation in personal income growth and the decline of some of its basic industries. In this context Washington's newly inaugurated governor unveiled his initiative for economic development for the state on Feb. 1, 1985. The "Washington Plan" represented a comprehensive effort to expand and diversify the state's economy while directing special assistance to areas of the state hardest hit by economic stagnation. A wide ranging public/private partnership called "Team Washington" was designated as the vehicle to expedite the delivery of the plan. Major components of the Washington Plan include:

- The restructuring and expansion of the state Department of Trade and Economic Development;

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- The creation of an Economic Development Cabinet to expedite government decision affecting barriers;
- The establishment of local "associate" development organizations in each county of the state;
- The creation of an Economic Development Board to undertake a comprehensive statewide analysis and to develop strategy to spell out what actions are necessary by the state and local agencies to spur economic development; and
- The development of community revitalization teams to direct state resources to especially hard hit areas of the state.

The entire plan was developed with participation by private business interests, legislators, port directors, executives of economic development agencies around the state and a number of related state agency directors, including Commissioner Isiah Turner of the Employment Security Department.

The Washington Plan also called for a strengthening of coordination between the numerous state, local and federal programs intended to provide services for business. In terms of the labor connection, the ESD, which directly or indirectly administers all federal training and retraining programs in Washington, and the Commission for Vocational Education (CVE), the state agency responsible for vocational educational programs (as well as a state funded job training program), sponsored the development of a "single stop" labor service for new, expanding or relocating businesses. This service, called the Training Network, is housed in ESD and receives funding from CVE. Through executive agreements it works with eight state agencies, local private industry councils (PICs), economic development councils, city, county and port officials.

Multiple training programs

As its name suggests, one of the Network's primary concerns is ensuring that businesses are aware of all the job training for which their workers may be eligible. A multitude of job training programs are available in Washington state. They include the many programs authorized under the federal Job Training Partnership Act (JTPA) and the state-funded Job Skills Program (JSP). The JSP is a matching grant program that funds industry/education partnerships that provide customized, quick start training for specific jobs. JSP supports up to one half the total cost of training, with industry providing at least 50 percent matching support, in cash or in kind. JSP funds training for prospective employers before a new plant opens and when existing industry expands; upgrading for existing employers when new vacancies are created for unemployed persons and retaining of existing employees when necessary to preserve their jobs.

Another state program is the new first source referral program That allows growing businesses to "try out" a Unemployment Insurance claimant or welfare recipient for 30 days at no cost. The ESD is authorized under this program to provide financial incentives, including up to 50 percent of a trainee's wages during the first 10 weeks, to employers who sign first source hiring agreements through the Network. During the first 30 days claimants continue to receive their benefits while they and the business "try each other out." There are several other programs for firms that hire certain categories of workers (for example, the handicapped, veterans, exoffenders and welfare recipients).

It is not surprising that businesses can become confused by this maze of programs that actually are "delivered" through many local agencies. Bewilderment is even more likely among companies from other states or countries that are considering relocation to Washington. Training Network staff present in a professional and concise manner

information regarding the entire array of hiring and training programs available to businesses. They also act as the employers' training broker by helping them assemble the best possible training package from federal, state, and local programs, and then "open the doors" for them in their local area.

How it works

The Network has developed links with all of the state's employment, training and education programs. These include Employment Security's Job Service Centers (JSC's), PIC offices, vocational technical institutes, and community colleges.

The Network also has links with the various state and local agencies involved in stimulating job creation. At the state level this includes the Department of Trade and Economic Development (DTED), which focuses primarily on attracting new investments to the state. It administers an industrial development program; an international trade and investment division; an infrastructure development board that provides loans and grants to local cities preparing for new investments; an import/export center; a small business assistance program and it also administers the industrial development bond program for the state.

The other primary job creation agency is the Department of Community Development (DCD). This agency administers a "development loan fund" program that provides gap financing for businesses; a development matching fund program, which provides match grants to localities building or expanding their economic development capacity; the Mainstreet Rehabilitation Program; the Community Development Block Grant Program and a development finance program that provides loan packaging assistance to starting up or expanding businesses. The Network also has relationships with local cities and counties with economic development programs and to all of the state supported business counseling programs.

During the Network's capacity building phase, staff spent time establishing lines of communication, learning about how these various programs work and developing trust and understanding with the managers of these programs. The aim was to show how the Network can be used to support or to further the goals of all 14 job creating programs. In some instances, such as the development loans fund and infrastructure development programs, the Network was actually written into the guidelines of the programs thus ensuring the unemployed and economically disadvantaged a better chance at filling jobs created as a consequence of the subsidies provided. The approach taken by Network management was to get every economic development professional in the state to think automatically of the Network any time jobs were being created.

The measure of success best can be understood by simply noting that the Network is now considered as a part of our state's economic development program.

Following a request from a business the Department of Trade and Economic Development, or the Department of Community Development, Network staff analyze the situation and develop a plan of action. The next step involves setting up a meeting with those responsible for delivering training in the area where the business will be starting up or locating. This meeting involves laying out the specifics of the project and establishing a single source for the business to work with. The Network strives to get all training programs fairly represented in this process, recognizing that all hiring decisions are made by the business.

Many kinds of assistance

The assistance that the Network provides may be as simple as sending basic information to an employer. Other times it may involve the development of a complex hiring and

training plan customized for a particular business. Still other situations may take months and may include several formal presentations to businesses from other states and countries. Training Network projects range from working with small firms interested in adding a few employees to courting companies that could bring several thousand jobs to the state.

Aiming to provide a comprehensive picture of the state and its resources, Training Network briefings are not limited solely to training information. They often include data on employment by industry and occupation, unemployment, wages, the availability of certain skills in the labor force, population, education, income and a wide variety of other subjects of interest to potential state employers. Training Network staff gather needed information with assistance from ESD's Labor Market and Economic Analysis (LMEA) Branch and research units in several other state agencies.

Because of its services are client driven, Training Network staff often must prepare program and Labor Market Information tailored to meet the specific needs of a business on very short notice. For example, Washington state currently is competing with an eastern state for a major new food processing plant. Two factors of concern to the company are the availability of workers and the wages they will be paid. Department of Trade and Economic Development staff contacted Training Network staff on a Monday (Aug. 11) and asked them to prepare a briefing on those issues for that Wednesday (Aug. 13). The Network got the information that was needed from LMEA and by Wednesday was able to deliver not only a description of the Washington labor force and wages in the food processing industry but also an analysis of how the state stacked up in comparison with the competition.

From Feb. 1, 1985 – Sept. 1986, the Network has provided direct service to 185 businesses, representing some 6,200 jobs. Network projects have ranged from assisting a young entrepreneur start a three person small engine repair business in a distressed part of the state to developing a comprehensive hiring and training plan involving 200 workers for Matsushita Kotabuki (Panasonic), which recently opened a new VCR production plant in the Southwest part of the state. The Network coordinated the resources of the local PIC, the community college, and the job Service Center to ensure optimal cost savings for the company while maximizing available resources. The Network has been involved in all of the seven new off shore investment projects that have come to Washington since February, 1985.

The goal is to assist in new job creation by ensuring responsive service and optimal cost savings for the business.

Future directions: localizing the network in 1987

The Network has been successful in achieving its initial goals:

- Maximizing state coordination between JTPA programs and other state and federally funded job training, education, support service and job placement activities.
- Integrating this function with all state supported efforts to attract new investments and to assist existing business.
- Establishing and maintaining links with state agency personnel involved with economic development.
- Developing linkages with all local economic development offices through the "associate development organization" mechanism.
- Ensuring that new, growing and potential businesses are aware of all the job training programs for which their workers may qualify.
- Ensuring that businesses receiving assistance from the state make a good faith effort to work through state programs for their workforce needs.

The Network has proven to be a viable economic development resource for Washington state. The feedback from employers and economic development professionals is very positive. It has been helpful both in linking new jobs with training programs and their target client populations and in helping economic development professionals see and understand the role of employment and training programs in their economic development projects. Without the Network it still would be difficult for economic development professionals, locally and in other state agencies, to find their way and to understand the finer points of all the employment and training programs, for as we all know, employment and training programs are a speciality field.

In 1987 The Network will become institutionalized as the statewide service. We currently are involved in decentralization efforts designed to build local capacity. This will mean that the local coordination work described earlier will be done by local JCS managers working with economic associate development organizations, ports, PICs and others. This approach allows Network staff in Olympia to be responsible for state level coordination with state agencies and programs and to provide technical assistance and oversight to the JSCs. The recent cases of Network/JSC management coordination in Grant County (Webster, Inc., a relocating Irish firm), Clark County (American Kotabuki, described above), and Skagit County (SUGIYO, an American/Japanese joint venture that will manufacture artificial crab) are all illustrative of what can be gained by a truly collaborative effort.

The network benefits everyone

The Network clearly demonstrates how a state can coordinate federal job training and vocational education program with state funded education and training efforts so everyone benefits: the unemployed, the business community and the state as a whole. Working on the assumption that the more companies know about Washington and how to access the resources available to them, the more likely they are to locate or expand in the state, the Network looks forward to a busy and fruitful future.

More information about the Training Network can be obtained by calling 1-800-233-6267 or (206) 438-4634. Correspondence should be addressed to The Training Network, 605 Woodview Drive, S/E, Mail Stop KG-11, Olympia, WA 98504-5311.

Marketing ES by video

by William A. Moulfair

Communications authority Marshall McLuhan tells us that "the medium is the message."

Through the print medium government has communicated a message of voluminous, bland, uninspired information. I often have heard complaints from employers that they cannot keep up with the many Unemployment Compensation benefit and tax forms, not to mention the reams of paperwork from other government agencies. Educational information in print is just another piece of paper to be shuffled to the bottom of the stack.

But the video medium is another story. This 20th Century medium transmits a message of fresh, inventive ideas. We now can receive just about every type of program via television airwaves and closed circuit cable TV – from movies to rock music, financial information to religious programming, country music to round the clock newscasts – even the everyday proceedings in the U.S. House of Representatives and U. S. Senate.

And the growth of the home video industry has freed us, as viewers, to watch movies or concerts, or even exercise classes, at our convenience. Many companies have incorporated videos into training and sales presentations. We, in government even have used videotape recordings to train employees.

Marketing by video in Pennsylvania

With a couple hundred thousand employers in Pennsylvania, much of the work done by technicians in Employment Security offices is communicating Unemployment Insurance

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benefit and tax laws, regulations and procedures and Job Service programs, to the employer community. Thus the medium through which information is provided to employers must expedite the dissemination process, yet make the information interesting.

To reach employers in a positive way it was suggested that videotapes be used as an efficient and attractive method of informing and educating. Thus the "marketing by video" project is to create a lending library of videotapes from which employers can borrow according to needs and interests. The initial steps in completing such a project were to determine: (1) if a sufficient number of employers have access to video equipment, and (2) the subjects of greatest interest to employers.

A survey form was prepared and distributed at Employer Advisory Council meetings throughout Pennsylvania. Employer Advisory Councils consist of employers who take an active interest in Unemployment Insurance and Job Service programs. EAC members provide input for procedures and forms used by the agency. And EACs provide a continuing education to member employers in UC, tax and Job Service matters. In our video survey EAC employers were given three lists of potential video titles from which to choose.

In the Unemployment insurance area employers were provided with these topics: Starting out right, advising the new employee of rules, regulations, requirements of the job; "reasonability" of company policies; documenting warnings, reprimands and discipline; the exit interview; appeals and hearings; monitoring UC charges; relief for charges; processing UC forms.

Potential Job Service titles included: Job Service testing; employer hiring incentives; selection and referral; job bank systems; exclusive hiring agreements; positive recruitment; Labor Market Information; Employer Advisory Council.

Tax program possibilities were: employer registration entity changes; wage/employment UC coverage; UC tax rate structure; estimating/budgeting UC tax liabilities; processing UC tax returns; employee UC withholding tax; credit weeks; reporting wages/credit weeks on magnetic tape.

Preliminary results

The preliminary results of the survey indicate that 53 percent of employers' choices were for Unemployment Insurances information. In order of preference, the most requested titles were documenting warnings, reprimands and discipline; "reasonability" of company policies; appeals and hearings; the exit interview.

The remainder of selections by employers were distributed evenly between tax and Job Service information. In the taxing area employers preferred wage/employment UC coverage; UC tax rate structure. Job Services titles chosen were Labor Market Information; employer hiring incentives.

When the employer video survey is completed data will be compiled and video subjects prioritized. That will be the end of the easy part of the project. Next will come the actual production of informational videotapes. It is projected that representatives from all bureaus of Pennsylvania's Employment Security offices, including the bureaus of UC Benefits and Allowances, Job Service and Employer Tax Operations, and the UC Board of Review, will participate in video production. It also is anticipated that employers will take part in the presentations.

Where possible videos may be recorded "on location" at "live" informational seminars. Other tapes will be made in the studio of Pennsylvania's education department. There is also a possibility that the Public Television Network facilities may be used to prepare video tapes. Perhaps an Employer Advisory Council member who operates a commercial television station or cable company may volunteer services and studios.

The ultimate end of the video marketing concept is to inform and educate employers through a medium that transmits a positive image of state government.

Mississippi's new hire and job refusal card

by Hoyte Hart

Since April, 1984, the use of a simple postcard has aided Mississippi employers in protecting their investment in Unemployment Insurance benefit trust funds. The "new hire and job refusal card" allows employers to notify the Mississippi Employment Security Commission of new hires or of refusal to accept work. With this information the state Employment Security agency can match its claimant files and can determine if someone is simultaneously working and still applying for benefits. Initial findings indicate that three percent of all cards returned matched persons still trying to claim benefits. Trust fund reserves have been protected as a result.

The "new hire and job refusal card" is an innovation of the Mississippi agency that resulted from several evaluations of benefit overpayments. In trying to determine the causes, the Unemployment Insurance staff discovered that a large number of claimants would continue filing claims after they returned to work. Most wanted to file claims until they could receive first pay checks from the new employer.

Several options were considered, but the choices were narrowed to two. One was to continue charging such violations as fraud. The other was to seek the employers help and to try and stop claims as soon as a person entered a new job. The latter method was chosen for a trial to see if it would work without undue harassment of the employer.

Hoyte Hart is chief, benefit payment control, Mississippi Employment Security Commission.

Notification letter sent

On April 1, 1984 letters of explanation and three "new hire and job refusal cards" were mailed to all Mississippi employers with 10 or more workers. The letter read:

"Dear Employer:

"In an effort to reduce the drain on the trust fund to which you as an employer pay taxes for Unemployment Insurance, we are asking your cooperation in helping ascertain that benefits are paid only to those individuals who are entitled.

"One of the more frequent reasons for the overpayment of unemployment benefits is that a claimant continues to draw benefits after starting to work. In order to eliminate this type overpayment, you are requested to complete a 'Report of New Hire Card' upon hiring a new employee. The information on the card will be crossmatched with claimant records so that benefit payments are stopped immediately when a claimant begins working. The card is short and simple to complete, and the postage is paid. These cards are included in this packet and an additional supply can be requested from your local Unemployment Insurance office. A list of local offices is on the reverse side of this letter.

"A space has been provided so that you may also use the card to report the refusal of a job offer. The person's signature or their Social Security number (unless available) is not required when reporting a job refusal.

"Your assistance in making this program a success and your continued cooperation are greatly appreciated."

The postage paid postcard contained simple information requests—employer's name, account number, address, phone number, employee's name, Social Security number, position, date started work, employee's signature block, company representative identification and title, date and a space to note if a job was refused.

The results were overwhelming. Cards began to pour into the Commission. Records were maintained to determine the results. Initially three percent of all cards returned were on active claimants who the agency believed would have continued filing claims had it not been for the notice received from the employer.

Expanded to all employers

Since the initial results were overwhelming, the project since has been expanded to all employers in the state. It also was decided to turn the responsibility for administering this program over to the local claims offices. A second letter was generated and mailed to all employers. It read:

"Dear Employer:

"I would like to thank you for participating in the New Hire Reporting Program.

"Unemployment Insurance is a program intended to provide financial assistance to your employees when they are unemployed due to no fault of their own. Unfortunately, some people either inadvertently or deliberately continue to file claims after returning to work.

"Since the start of our New Hire Reporting Program, three percent (3%) of the people reported as 'New Hires' attempted to file a claim after they returned to work. As a result of participation by employers like you we were able to stop these people from filing and required them to repay the benefits that they were not entitled to receive.

"If you are not participating in this program, please contact the nearest Unemployment Insurance claims office listed on the reverse side of this letter. We will provide you with a supply of self addressed, postage paid New Hire cards. With your assistance we will be able to prevent persons from working and filing for Unemployment Insurance simultaneously.

"Thank you for helping us protect your Unemployment Insurance Fund and paying Unemployment Insurance to only those who are eligible under the provisions of the Mississippi Employment Security Law."

Weekly reports of the effort were required. Each week showed a decrease in the number of claimants that apparently would have defrauded the agency until the percentage reached a low of less than one half of one percent.

The program also has provided some additional benefits. Employers have become more interested in the Unemployment Insurance program as a result of hands on action in the process. The demonstration of agency caring about the use or misuse of employer contributions to the benefit trust fund has spurred a better working relationship with employers. It also has led to improving the agency's image.

In all aspects the Mississippi Employment Security Commission believes the "new hire and job refusal card" program has been a success. Its use is recommended to other state Employment Security agencies.

Oregon's adult exoffender placement program

by Raymond P. Thorne and William E. Sager

The Oregon Employment Division's adult exoffender placement program has completed its most successful year. From July, 1985 - June, 1986 (Program Year 1985), 3,755 adult exoffenders entered employment as a result of Employment Division efforts. This marks a 47 percent increase over the previous year. This success comes from three factors: an increase from nine to 14 exoffender placement staff, the continued cooperation of both the Corrections Division and the Job Training Partnership Act, and an improved economy.

The Employment Division has been involved with job development and placement of exoffenders since the mid 1960s. At that time the program was funded through the Manpower Development and Training Act. Each year the program has grown and has met with increased success. The exoffender program currently is funded through two sources: Wagner-Peyser Act discretionary funds and Oregon Employer taxes. This combination of federal and state funds has made the program flexible and responsive to the unique needs of exoffenders in many of Oregon's communities.

Thirteen local Employment Division offices operate the exoffender program. These offices were selected after the Corrections Division provided information on where inmates relocate following their release. Offices involved with the project include Albany, Coos Bay, Downtown Portland, East Multnomah, Eugene, Hillsboro, Kalmath Falls, Medford, Newport, North Portland, Oregon City, Pendleton and Salem. One staff person in each of these offices has been assigned to work full time with adult exoffenders. In Salem, where

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a large percentage of exoffenders live after being released from prison, two full time staff people have been assigned to the program. Each staff member works with approximately 150 individuals per month. Nearly 90 percent of the exoffenders served are male. This mirrors the normal corrections population.

Each local office has developed an agreement with the community corrections agency that serves its area. The agreements stipulate that Employment Division exoffender staff will work only with clients referred by parole and probation officers. Any exoffender not referred to the program by the parole or probation officer is eligible for the standard employment placement services offered by all of the Employment Division's 28 local offices.

A variety of services provided

Exoffenders who are referred to the program receive assistance with resume development, job search training and job development. The staff works with each client individually to measure job aptitude and interest and to insure appropriate job placement. Many exoffender staff members have offices at the local community corrections facility. This increases communication between Corrections and Employment Division staff and makes services readily available to the client.

The adult exoffender faces numerous barriers when seeking employment. The majority do not have dependable transportation or a driver's license. Many do not have a permanent home and a telephone. Several have not completed high school or obtained a General Educational Development certificate. Many never have had an opportunity to learn vocational skills or to develop appropriate employment goals and attitudes. Most clients have a very irregular work history. This is due primarily to repeat offenses and convictions and poor work habits.

Several individuals enrolled in the program have been involved with the corrections system since their youth. For many of these people job placement assistance through the Employment Division marks their introduction to completing job applications and to being interviewed by employers. In spite of these problems, the Employment Division successfully has placed adult exoffenders in a cross section of job opportunities. The placements range from construction to electronics, clerical to manufacturing. Nearly one third of those place during Program Year 1985 are earning more than $5 per hour.

Research shows that employed exoffenders able to provide for their families are less likely to return to their former life of crime. Division staff has taken this one step further by helping members of the exoffender's family find employment. The income from these additional jobs has a positive influence on the exoffender's new life.

The Employment Division has worked closely with Job Training Partnership Act program operators throughout the state. Clients have been placed in job readiness workshops, skill training classes and on the job training opportunities. JTPA also provides funds for necessary work clothing and tools. Hundreds of Oregon exoffenders have benefited from the cooperative job training and placement efforts of JTPA and the Employment Division.

The Division also works with the many nonprofit groups in Oregon who are dedicated to helping exoffender transition back into society. Clients regularly are referred to drug and alcohol rehabilitation projects and counseling programs. The majority of the exoffenders require assistance with clothing, housing and food. These needs are noted by Employment Division staff and shared with appropriate organizations.

Study proves success

In 1985 the Employment Division conducted a study that tracked the status of exoffenders who had received employment assistance through the placement program. The study, done in cooperation with the Oregon Corrections Division, followed the employment activities of 330 exoffenders for 15 months. Both wage records and Corrections Division files were used to track the program participants. The study proved that the placement program plays an important role in the ongoing effort to reduce the "revolving door syndrome" for adult offenders in Oregon. After more than one year nearly 30 percent were reported to be still with the same employer. The majority of the exoffenders in the study had moved to other jobs during the 15 month period but still were employed. Only six percent had been reincarcerated for new crimes. A small percentage had moved to other states or were unemployed.

The findings of the Oregon survey run contrary to national trends. In a July, 1983, article in the *Monthly Labor Review*, results of intensive placement efforts for exoffenders were found disappointing. According to the article special employment programs for exoffenders have not been as effective in other parts of the country.

Oregonians benefit from this program in many ways. Presently it costs Oregon taxpayers $45 per day to keep an inmate in a state penal institution. Since the employed exoffender is less likely to repeat the offense and to be reincarcerated, the state saves money. The combination of these savings and the tax dollars now being collected from employed exoffenders adds to millions annually. As the exoffender gains new skills and earns a higher salary there is less dependence on federal food stamps and state and local human services. Restitution owed to victims can be paid more rapidly by an employed exoffender.

Based on the continued success of the project, the adult exoffender placement program has been proposed for funding for the 1987-89 biennium. The Employment Division has set a goal of 5,000 job placements during that two year period. With the continued support of the Corrections Division and assistance from the Job Training Partnership Act, that goal should be achieved.

Case Studies*

After numerous criminal convictions as a juvenile, 17 year old Dave was remanded to adult court and the adult probation system. Dave was raised by a single parent who is also an exfelon. Despite Dave's enthusiastic personality, he appeared to be headed toward a lifetime of trouble and expense to society. In July, 1984, Dave visited the Employment Office and an exoffender staff member started working with him. He was counseled in job search techniques and proper work attitudes and behavior. The staff person reasoned that just a job would not do – it had to be an occupation that captured Dave's full interest in order to compete with his former lifestyle.

By August, 1984, Dave was ready to be referred to an employer. Employment Division staff went to work to develop a job for Dave. He soon was hired by a bicycle shop to assemble bikes, to sell parts and to work with customers. Dave adapted to his new job quickly and learned to take pride in his accomplishments and success. After a year Dave moved on to a higher paying job in a metals shop. Now, just two years after he came to the Employment Division, Dave is independent of his former environment and a productive member of a small Oregon community.

**All names have been changed to maintain confidentiality.*

BOB SERVED time in the penitentiary after being convicted of armed robbery. When he was released Bob needed not only to find a job, but also to conquer his alcoholism and poor self image. Through the combined efforts of Bob's parole officer and the Employment Division he was referred to a counseling and alcohol abuse program. He was soon ready to enter the job market.

Exoffender placement staff discovered that Bob had marketable skills as a painter and maintenance man. After developing a new resume and completing several practice interviews, Bob was anxious to apply for work. The Employment Division gave him bus tickets and job referrals. Within a few days he had a job as a painter and wallpaper hanger at a large condominium. His starting salary was $6.50 per hour.

Several weeks later Bob returned to the Employment Office to thank the exoffender staff for the job search assistance and to report that his wages had been increased to $7.50 per hour. Additionally, Bob's employer had given him permission to work after hours and on weekends for tenants at the condominium. Bob has paid his court ordered restitution of $3,500. He has his driver's license again and at age 42 is considering a return to school to pursue a career in interior design.

ELIZABETH, a single parent, was struggling to make ends meet. Her hometown has not recovered from the recession. The unemployment rate was among the highest in Oregon. Last winter Elizabeth was arrested for possession of a controlled substance. She was unemployed at the time. One condition of her probation was to apply for services with the adult exoffender placement program. The program offered her one on one assistance in completing job applications, resume development, interview preparation and pointers on dressing for work.

Elizabeth expressed a desire to enter the clerical field. As a high school student she has obtained some clerical skills but had not used them in many years. Our staff helped bolster Elizabeth's self confidence and sent her out on a job referral. A week later she was hired as a data entry/bookkeeper at $4 per hour. Four months later Elizabeth accepted a job offer from a neighboring business at a much higher hourly rate. Her former employer called the Employment Office and placed a job order for another employee "just like Elizabeth." He said, "she was a great worker."

AT AGE 29, John already had spent a total of nine years at MacLaren School for Boys and the Oregon State Penitentiary. He started getting into trouble with juvenile authorities at age 11. By age 15 he had been committed to MacLaren. John returned to his community at age 17 and enrolled in public school. He dropped out of high school in 1972. That same year he was convicted of armed robbery. John completed his General Educational Development studies while in prison. He was fortunate to receive vocational training there as well. However, when John was released he was unable to keep a job for more than a few months at a time. Once again John was convicted of robbery.

John's probation officer referred him to the exoffender placement program. John immediately was placed in a job finding training class with other exoffenders. There he learned about employer expectations, proper work habits and dress, and how to set personal goals. John's attitude changed noticeably in just a few days. Soon after John completed his class, the exoffender staff person visited a major employer in the area and obtained a job order. The employer usually required applicants to have a recent work history and at least two employer references. After the employer heard about John, these requirements were waived. John passed the company physical, which included a drug screening, and immediately started working at $8 per hour. John shows every sign of having turned his life around. He has regained his self respect and his self image is improving. His days as a criminal may well be over.

Oregon's homeless program

by Raymond P. Thorne and William E. Sager

The Oregon Employment Division homeless program was designed to secure fulltime employment for residents of the Burnside area in downtown Portland. There are several organizations located in the Burnside area that are dedicated to rehabilitating homeless people, but few of them are involved with placing this population in permanent, fulltime jobs. The Employment Division is working to fill this void in services.

In July, 1985, the Employment Division assigned two Job Service representatives to work with the homeless. One employee is outstationed at Baloney Joe's a program site of the Burnside Community Council. The second staff member works out of the Burnside Projects office. Both employees have a caseload of clients who reside in the immediate Burnside area. The clients either are referred for employment services by other organizations or have heard about the program on the street and come in on their own. The staff members help with job development and referral. They also coach clients on conducting successful interviews and keeping a job.

Working in the Burnside area has allowed staff to develop a rapport with both the homeless and social service organizations. Being an active, visible part of the community has increased the Employment Division's credibility with this special population. At the end of Program Year 1985 (July 1, 1985 – June 30, 1986), 155 homeless people had applied for job placement assistance. The Employment Division placed 51 of these

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individuals in permanent, fulltime positions. Staff members also placed 69 applicants in jobs that were of limited duration.

An additional 16 applicants obtained employment on their own. Most of the placements were made in service related, domestic and laboring positions. The majority of those placed earn less than $5 per hour.

Although the number of permanent placements made in the first months of the program has exceeded expectations, the percentage of employees staying with their new jobs has been low. Many of these clients are not goal oriented and have minimal commitment to permanent work. This has contributed significantly to low job retention rate. While the division does not track program participants after they are on the job, an informal study shows that only 10 percent of the 51 individuals placed were still on the job after four months.

Basic services such as food, shelter, medical care and clothing are provided by the social service agencies in the Burnside area. However, few of these organizations are staffed to provide support programs for area residents who are entering employment. The Division has discovered that while employment can be secured for the homeless, ongoing support systems are needed to keep these people on the job. The Employment Division has found the greatest success in working with applicants who recently have completed alcohol or drug rehabilitation programs. Most of these successful clients live in residential hotels in the Burnside region. The professional social services staff at the hotels and other residents provide a limited support group for the person entering the working world.

Individuals who have gone through an alcohol treatment program may be able to return to the work world once their alcohol problem has been resolved.

But the Burnside residents with mental and emotional problems cannot easily find solutions for their ailments. Employment Division staff have had little luck placing individuals with these problems in jobs. Without a support system, many of these individuals succumb to the pressures of street life and are not able to cope in the working world. The Employment Division can not provide the personal counseling and support needed to help these people through this difficult transition. Given this reality, the division has chosen to not request funds to renew the project during the 1987-89 biennium.

Case Studies*

Emily had worked successfully for many years as a waitress. However, a serious fall in the late 1970s injured her arm to a point where she was no longer able to work. She lost her home and moved to the streets in the Burnside region. After several years on the streets she had lost all of her self esteem and personal drive.

She was referred to the Homeless Program by the counselor at Baloney Joe's. The Employment Division staff worked with Emily to determine what occupations she would be able to work in, given the opportunity. The staff person soon received a request for a temporary person to work at a bulk mail firm for one week. She sent Emily for an interview. At the end of the week Emily was hired to work fulltime at $3.50 per hour. The job helped to boost Emily's sagging morale. Her employer was pleased with her progress and promoted her to a supervisory position at a much better salary. She has since moved away from Burnside area into a new apartment building . She often returns to Burnside to tell the Employment Division staff about her job and new life.

**All names have been changed to maintain confidentiality.*

Charlie hadn't held a job since he was released from the military in 1975. He had survived on the streets by checking into the night shelter at Baloney Joe's to sleep and eat. He collected cans and bottles and did odd jobs as a way of making a little money. When he came to the Employment Division homeless project he was ready to make serious changes in his life. The staff member discovered that Charlie had gained some clerical skills while he was in the service. A clerk job was open with a hearing aid service, and Charlie quickly was referred for an interview. Support programs in the Burnside area helped Charlie prepare for the meeting with the employer by providing him with new clothing. Charlie was hired for the job at $4 per hour. After less than six months he was promoted to supervisor of the telemarketing staff.

The Romance of riding the rails had worn thin for Tim. He was 35 years old when he checked into a residential treatment program for Burnside alcoholics. The program helped him overcome his alcoholism and gave his life new direction. Tim walked into one of the Employment Division offices and claimed he was ready to go to work. Since he had no work history placement would be difficult, but he was determined to succeed. The Employment Division staff sent him out on several short term jobs to build both a work history and his selfconfidence. Tim is now working fulltime at a recycling company as a fork lift operator. He earns $7 per hour. He has moved away from Burnside and has his own apartment.

Part III: Improving service

Innovation in Employment Security programs is not confined to outreach. Some of the most unique developments involve improving the ability of the agency and its staff to deliver service to the clientele—both employers and applicants. In some respects, the improvement of applicant preparation procedures is a great employer benefit because it allows the agency to refer applicants that will better meet the employers' needs. Some of the unique state Employment Security agency programs designed to improve staff effectiveness in delivering service are reviewed in this section.

Virginia's employability training workshop

by Dianne A. James

During the past two years participants in the Virginia Employment Commission's employability training (E.T.) at the Lynchburg office have expressed verbally or in writing that through the workshop they have gained self confidence that has positively influenced their personal lives as well as their vocational lives. A positive impact on placement has resulted.

Employability training is a process by which individuals seeking employment can enhance job search and job retention skills. These objectives are accomplished by group dynamics in a workshop setting wherein materials and participant interactions develop techniques and instruments for identifying total self, preparing for a job interview and retaining employment once hired.

Subcomponents develop, of course, from self assessment of personal and vocational skills, and contribute to the individuals selling themselves to the employers. The ultimate goal of employability training is to match both the employers' and employees' needs in order to achieve a harmonious and long term working relationship.

A great part of the success of the program can be attributed to the initial contact with the applicant, regardless of referral or method of recruitment. Understanding and an empathetic attitude must prevail and convey respect for human dignity and individualism of every applicant. We have found that when personalized attention is directed to the individual, almost instant rapport is developed and trust begins between the facilitator and prospective participant.

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At the Lynchburg, VA, employability training model we use several recruitment methods, including personal contact in the local office, applicant file, referral from community agencies and self referrals. At all points of first contact, however, interviewers must be adept at recognizing behavioral patterns of prospective trainees.

Recognizing behavioral patterns

Their personal problems are many and clues to these problems are numerous. Some clients may appear impatient with the employment system, and occasionally, display outright anger. Confusion and disorientation in communicating information related to past employment, skills, needs or desires for employment are evident with other clients. Applicants can appear ashamed, frightened and pessimistic toward the future. Hurt is often an underlying emotion. Pride, self worth and enthusiasm often are destroyed.

In addition some persons outwardly appear to keep up a positive attitude, but conversation reveals lack of knowledge of the labor market and employer expectations. Others, when asked for a resume, do not recognize the term nor know how to develop one. Interviews may reveal inadequacies in use of the English language, unrealistic self expectations or physical and mental conditions. Some are inexperienced in job search, and job rejection has caused discouragement, despair and cynicism.

There are many other clues that the trained interviewer will recognize and that indicate the client needs employability training. These range from applicant age, employment gaps desired salary and education to experience. But the approach to recruiting trainees must be subtle and appropriate to the mood and behavior of the applicant.

Implementation

The participants for the three day, in agency workshop have been selected by the facilitator and face 18 hours of intensive training.

First, however, approximately one week before the workshop a formal Virginia Employment Commission letter is sent to each enrollee giving date, time and place of the workshop. And again, the day before the workshop, enrollees are called and reminded of time and place.

The morning of the workshop the facilitator takes a list of enrollees and greets them individually by name. The individual treatment is very effective according to feedback and post workshop evaluation. Once in the conference room with coffee and the necessary materials to conduct the session, the facilitator begins by asking such questions as who are you? What do you want? What do you need? What can you afford? Do you see yourself as others see you? These questions and other motivational exercises are designed to stimulate the trainees to assess themselves. The group's common bond of unemployment is stressed during the opening session.

A number of materials for identifying achievements, interests, talents and personal vocational skills are used in the training. Each exercise builds on the last, aiding the person to see positive traits, thus gaining a sense of self worth from the reflections of the group.

Goal setting, stress management and scheduling for time management completes exercises for the first day. Hopefully participants have derived a sense of satisfaction from the camaraderie of the group, and are becoming aware of their own emotions and behavioral responses.

The second day

The second day of the workshop involves turning toward the employer, the job market and the development of instruments for reaching them. Local, state and national labor market statistics, projections for future job types and specific skills needed for employment are reviewed. Hand out materials are provided. Participants are involved in listing leads. The networking concept is printed on a flip chart as an effective means for utilizing sources to find employment. Since 80 – 85 percent of jobs that become available are not advertised or otherwise known to exist, participants are amazed at what they have missed. They begin to develop excitement for tapping the hidden job market. Enthusiasm builds even more as participants learn how and where to research employers.

After learning how to research the employer through libraries and other sources, participants develop more techniques for reaching the employer by informational interviews, telephone "cold call canvassing" and letter of introduction.

A glimpse at alternatives in creative employment gives the workshop participants guidelines for starting their own businesses as an interim or permanent solution to unemployment. Material is provided for researching steps and details for starting a business.

The third day

The final six hours of the workshop are devoted to applications, resumes and job interviews. The participants discuss the "tough questions" they have encountered in their group exercises.

Visiting employers add confirmation to workshop guidelines about hiring. A videotape "You Are Where You Were When," by Dr. Morris Massy of the University of Colorado, adds further insight. Evaluations of the workshop complete the three day training program.

A follow up program, a 1½ hour session once a week for three weeks, continues directly after the workshop concludes. A colleague conducts these sessions to tie up loose ends, to videotape a mock interview and to help pull together personal resumes for participants. Follow up continues through phone, personal and letter contact at the first and second week intervals, and at least once a month through the fourth month. Tracking cards and regular applications are kept for each person's job search activities. Certificates signed by the Virginia Employment Commission's Job Service director and the local office manager are given to participants. The follow up sessions serve to keep momentum up for trainees.

Longer periods for the workshop have been considered, and participants have suggested at least five days. However, we feel a longer period may produce too much dependency.

As long as there are people who need gainful employment we hope to provide services to help them reach their fullest potential in self confidence in order to convince employers of their worth. We also are convinced that as long as we endeavor to recognize and to demonstrate a high regard for individualism and human dignity we will be successful in meeting our goals.

Job seeking skills create better applicants

by John Stine

Among Employment Security workers it is a natural assumption to believe that job applicants who enter the doors of the employment office are eager for a job referral and an interview with an employer. In most cases nothing could be further from the truth. What job seekers really want is a job. But most literally detest what they have to go through to get one. This is because few job seekers are so self-assured that they feel confident about asking an employer for work. Many, in fact, are terrified by the prospect. That is why so many seek the assistance of others in their search for work. Afraid to go it alone they turn to strangers for advice and encouragement.

Traditionally, the role of the employment office has been to find jobs for workers ready, willing and available for work and to locate workers for employers in need of help. Locating a job a qualified worker can do is one thing. Preparing a job seeker for an interview with an employer is something else. Of the two task, applicant preparation may be the most important.

Aptitude testing, employment counseling and the development of job seeking skills are considered the primary elements of applicant preparation available to Employment Security workers in the local office setting. While the first two elements have been emphasized through the years, the importance of job seeking skills largely has been overlooked until very recently. Few recognized that an applicant's attitude could be a barrier to employment. Fewer still were able to develop a standardized approach to solve the problem.

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Conception, revision and experimentation

Initially, job placement work consisted primarily of listing available jobs in the community and referring workers to those employers who listed their available jobs. The labor exchange concept through the late 1930s and the early 1940s was a simple government coordination effort. Its purpose was to help the American economy cope with serious joblessness during the Great Depression and to meet the nation's need for wartime workers in the early 1940s.

The arrangement worked well. When peace returned in 1945 the nation's need for a free labor exchange was well established. Yet at the same time there was a growing recognition, both within the employer community and at the federal level, that the system of job referral needed refinement, stronger direction and a sense of commitment for quality. The perceived problem was that workers referred to jobs often were not qualified to do specific work. The proposed solution was the development of a means to better identify worker skills.

In response the *Dictionary of Occupational Titles* was revised and updated. Originally introduced in 1939 its purpose was to establish nationally uniform job titles. In 1949, a second edition was issued to include new occupations and industries created during and after World War II.[1] To better measure worker skills, aptitudes and abilities, the General Aptitude Test Battery was further refined.[2] In a purely technical sense the Employment Service then was equipped to deliver both quality and quantity. The stage was set for the referral of occupationally qualified applicants to employers needing workers with specific job skills.

But there continued to be problems. Qualified applicants often rejected jobs for which they were technically qualified. Employers often rejected qualified referrals, preferring instead to hire workers "off the street" who often were not as well qualified as Employment Service referrals, or not qualified at all. Other workers remained idle some because jobs were scarce, others because of social and ethnic barriers.[3] Clearly something was wrong. Simply improving the quality of worker referrals did not solve the referral problem. Nor did it seem to have a positive impact on unemployment.

With the introduction of the Great Society programs of the mid 1960s, a great deal of emphasis was placed on job training and experimentation. In many areas experienced Employment Security workers were "transferred" or reassigned to work on these projects. For many it was a unique opportunity.

The Work Incentive program was introduced. The Youth Opportunity Center program was another. There were many others. Each in its own way offered Employment Security

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[1] Subsequently, a third edition of the DOT was published in 1965 containing job definitions verified by more than 45,000 job studies from 75,000 job observations. According to Robert C. Goodwin, then Bureau of Employment Security administrator, "The new features incorporated in the (3rd) edition should help to broaden horizons of disadvantaged workers and new entries in the labor force." A forth edition appeared in 1977. It added 2,100 new occupational definitions with "significant military occupations included for the first time."

[2] Originally developed 15 years earlier, the GATB was created by hired psychologists working for the USDOL. In 1947, the national office entered into contracts with state Employment Service agencies to do test development to make the GATB more reliable for job skill identification purposes.

[3] A popularized history of the times is contained in an article, "Where We Are and How We Got There," written by Sar A. Levitan, research professor of economics and director of the Center for Social Studies at The George Washington University, as published in 200 Years of American Worklife, USDOL, ETA, 1977. In his article Levitan summarized the findings of a 1957 Senate appointed Special Study Committee that recommended "special provisions for training and retraining unemployed workers." The Manpower Development and Training Act (MDTA) of 1962 was enacted in response to that recommendation.

workers a chance to try new concepts, to develop innovative ideas and to attempt often radically different approaches for dealing with job placement problems.

During those years many new ideas were tried. Many were discarded. Some ideas didn't work. Some proved too costly. But one idea that remained was the notion that the development of job seeking skills was worthwhile. It was an approach that proved to be teachable, workable and highly effective.

The WIN experience

Of all the "new" programs introduced in the 1965-70 period, perhaps WIN proved the most practical. Dealing almost exclusively with clients of the Aid for Families with Dependent Children program (AFDC of the federal government's Health, Education and Welfare department), WIN was designed as a cooperative effort between state Employment Security agencies and the Department of Public Welfare within each state. The objective was to make welfare clients employable and to find jobs for them where earned wages would be sufficient to remove them from welfare dependency.

In most areas WIN was set up as a "structured workshop." Participants not only were exposed to job training activities to include basic education and specific vocational courses, but they were also extensively "tutored" in job seeking skills. Through workshop role play exercises, "how to" movies and slide shows, and TV oriented "learn-by-doing" experiences, they were taught what to expect and how to behave during job placement interviews.

Other WIN applicant preparation activities were equally inventive. It was found, for instance, that job resumés are usually a waste of time. Employers often are flooded with them, seldom objectively evaluate each one, and many consider resumés largely fictional. Job applicants, it was learned, could better "sell" themselves with a telephone call to the employer rather than rely on "papering the town" with a basically ineffective formal resumé.

It also was found that job seekers should not consider changing careers or line of work because work is temporarily hard to find. To do so means starting all over. Changing to a new field of work would mean competing anew with other entry level workers for entry level wages. Most workers, it was learned, would be much better off in the long run by sticking with an occupation in which they do have "know how" gained from training or experience. If a change is unavoidable, earning power can be partially protected by switching to an allied field, such as medical sales for someone who has worked for a doctor or a hospital, but not to an entirely different field of work. Experience is too valuable to just throw away lightly. Stick with what you know and can do.

Another lesson learned was that applicants should never quit a job until another one is offered. The working job seeker is usually more desirable to a prospective employer. The working applicant also will be in a better bargaining position for better wages. People who have a job do not have pressures to "accept anything" just because they desperately need work. Even when a job is literally unbearable it is still preferable to no job at all.

But perhaps one of the most striking lessons learned by Employment Security workers in the WIN program was the revelation that most people hate to look for work. For many it's demeaning. Further, they fear rejection. A job turndown can be traumatic. But more importantly, few people know how to interview for a job. Since fewer still know how to interview well, it's an experience they literally dread. Many would just as soon stay at home, do nothing and feel sorry for themselves rather than face the frustration of asking a stranger for a job.

From these sorts of experiences gained in the WIN program and others,[4] the need for certain applicant preparation techniques began to emerge. At first the development and testing of these ideas required long hours of workshop involvement. As time went along each new technique was refined and improved, and teaching time was reduced.

Today, as the WIN program slowly is being dismantled for federal budgetary reasons, WIN workers returning to mainstream Employment Service offices are finding that nearly all of the WIN applicant preparation initiatives applied successfully can be applied successfully to day to day job referral activities. While a workshop approach in the local office setting is often unrealistic, a great deal still can be done by applicant and Employment Security worker on a one to one basis. For an investment of only a few extra minutes of initial interviewing time a means is now available for improving nearly every job referral scenario.

Fourteen applicant preparation techniques that work

While relatively simple in concept, each preparation technique developed is capable of making any applicant more self assured during a job referral interview. Taken together as a total 14 point applicant preparation approach the results may have no equal.[5]

Simply stated and essentially summarized, the following advice to any job seeker will invariably enhance job placement success.

1. **Maintain a positive attitude** – Be friendly and keep a good attitude throughout the entire interview. Be the kind of person other people will enjoy working with, and they'll want to have you working for them.
2. **Be prepared** – Employers are flattered by the interest you show in them and their enterprise. After securing an interview with an employer do your research. Go to the public library and look up the company in trade journals and business directories. Go over annual reports—meticulously. Note financial conditions, the theme of the company's attitudes and business objectives. Pay attention to names mentioned in reports and articles, as well as future plans, achievements, acquisitions and awards the company has won. The more you know about it the more you will impress the company with your desire to work for it. Most people don't do this. You will raise yourself above the competition when you do.

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[4]In R&D Monograph 78 published by the USDOL in 1980 (pages 203-204), conclusions reached by researchers concerning characteristics associated with high performing WIN work units noted that where "providing job search skills was emphasized," job placement success was greater.

[5]Originally developed by staff of the Tri-County WIN Project, with offices in the cities of McAllen, Harlingen and Brownsville serving the counties of Hidalgo, Willacy and Cameron in the Rio Grande Valley of Texas, elements of the 14 point approach to applicant preparation have been used in numerous ways throughout the Texas Employment Commission, the state Employment Security agency. In some areas brochures have been developed to disseminate the information to applicants. In other areas applicants are verbally "coached" by placement interviewers. Workshop projects dealing with WIN participants, exoffenders and dislocated workers also include applicant preparation sessions. Emphasis, in most cases, is placed on strengthening those job seeking skills perceived as weaknesses by the interviewer. If the applicant smiles easily or is dressed well, for example, it is assumed the applicant will appear that way to an employer – so there is no reason to discuss those techniques. Where a smile is lacking or the person is not appropriately dressed, reasons for improvement in these areas are tactfully pointed out. In almost all cases the need to do research, to ask for the job during the interview and to follow up after the interview, is emphasized. While there is no empirical evidence to prove applicants find jobs quicker because of this approach to applicant preparation, those who adhere to these 14 principles stoutly defend the practice based upon improved referral to placement ratios.

3. **Dress neatly, make a professional appearance** – If you want the employer to hire you, look your best. First impressions are all too important. If you do not look your best the first time around, you may not get a second chance.

   How to dress? Men should wear their best conservative suit, preferably dark – white shirt, conservative tie, dark socks and black or brown shined shoes. Nothing flashy – no plaids, bright stripes or tweeds. Why conservative? Because you have no way of knowing who you will meet. You can't know their tastes. You may talk to an ultra conservative, or, if he's a man, he may be wearing the loudest sport coat you've ever seen. He may have a crew cut or hair down to his shoulders. You just can't know. Why take any chances? Dress conservatively, clean your fingernails, trim your hair and brush your teeth. You'll never upset anyone by being too conservative, but you can offend others by being too flashy.

   For women dress as conservatively and as professionally as you can. A suit is best, or an attractive dress with matching shoes and handbag. Your hair and the rest of your appearance should be businesslike. Never wear an evening gown or cocktail dress. No sequins or shiny material. Apply makeup lightly and stick to conservative colors in nail polish. Refrain from wearing a pants suit until you've had a chance to observe the dress habits of other employees in the department in which you wish to work. The better one looks the more you will look your real worth.
4. **Be on time** – Arriving late for an interview is unpardonable. If you are late for a 11 a.m. interview the employer's going to wonder how you'll even make it to work at eight in the morning. If you know you are going to be late call the employer before the scheduled time and reschedule it.

   Being too early is just as bad as being too late - the employer may think you have nothing better to do than hang around the office. Too, if you're too early, the employer's receptionist or secretary may feel obligated to entertain you while you're waiting. That could interrupt the employer's work flow and end up irritation the employer so much that you will be off to a bad start immediately. If you are unavoidably early go to a nearby coffee shop or wait in your car. Never arrive more than five minutes early. People are impressed by punctuality.
5. **Be cooperative** – Make friends with the employer's receptionist or secretary when you arrive. The person who first meets you when you go in the door may be very important to you in making a good first impression. The employer you'll be talking with also may rely heavily on that person for an impression of you. So don't give a hard time. Don't pester the person if the employer is late or doesn't talk to you at the appointed time. It's probably not that person's fault. You want that person to like you. After you leave the employer is very apt to ask that person what they thought of you? When you've got that "front office" person on your side you'll have somebody pulling for you after you leave.

   Be a model of cooperation. If you're asked to fill out an application, do so willingly not grudgingly. Take your time, be neat and fill in every line. Many applicants rush through an application putting down "refer to resumé" all over it. Don't you do this. Employers are familiar with their own forms and can locate information more quickly on their own application than on your resumé. Many employers also have a pet peeve about applications. They feel one of the easiest ways to tell if an applicant is truly interested in working there is by the care and sincerity shown in filling out the form. Since this is usually the first exposure you will have to fulfilling company policy, the care and effort you put into following this request will make you look a whole lot better than other applicants who resent the imposition.

6. **Display perfect posture** – Walk briskly. Stand and sit up straight. Occasionally during the interview lean forward slightly to indicate interest in what is being said. That will make you appear more interested and eager to learn more about the opportunity being discussed. Don't just sit back and wait to be "sold" on the job by the employer. Most employers hate to have to convince you to work for them. Most won't try. Your posture will convey a good impression or a bad one. Try to make it good.
7. **Use eye-to-eye contact** – Look prospective employers and their associates directly in the eye when meeting them. Don't look at your hands, the ceiling or spots on the wall, especially when answering questions. Poor eye contact gives the impression of weakness or of making up answers as you go. You want to appear honest, straightforward and aggressively interested in the company or job opportunity. If eye to eye contact is difficult for you, try the old trick of concentrating on the little space between the employer's eyes, just above the nose. This will give you a blank space on which to concentrate, yet give the impression of a steady gaze. When there is good eye contact you will be able to detect subtle changes in the employer's attitude as well as feeling how he or she is reacting to you and your comments. The employer will be measuring you in the same way, comparing you with other applicants recently interviewed. Master this simple principle and you'll have another edge over the competition.
8. **Use a firm handshake** – This may seem like a little thing, yet a firm handshake gives an immediate impression of your strength of character and purpose. A weak or "cold fish" handshake gives the impression of weakness or insincerity.

   Women should extend their hand first as is customary. Don't try to break the employer's hand or be too vigorous. Just use a simple, firm handshake. You will appear a lot more businesslike.
9. **Smile** – A genuine, warm smile is very contagious. When you're smiling your eyes will be smiling, too – and that can thaw out even the coldest sourpuss. It is almost impossible not to return a big smile; it's just a natural human response. The employer must like you before you'll be hired. They don't hire people they don't like, so be friendly. Part of the purpose of the interview, in the employer's mind, is to find out whether or not you will work in harmony with the employer's other employees, and whether that employer will enjoy working with you. A big smile will do more to convey the impression of harmony than anything else you might do.
10. **Avoid starting salary wanted (or wages desired)** – When salary (or wage) is not specified never name a salary figure yourself. Often job orders do specify a salary range or starting rate. But when job development is involved that figure is usually unknown. Either way, where the question appears on the application, write "open." Avoid naming a definite wage no matter how many ways you are asked. Instead try something like, "Mr. Employer, I'm looking for a career position (steady job) where I can be happy and have a future. You know what I've been earning, what I have done and what the job's worth to you. Make me an offer. I'll seriously consider anything reasonable."

    All the options are yours if you make that employer name a salary figure first. Once the employer does you'll be in complete control. You can accept an attractive offer, negotiate a questionable offer or turn down an unattractive offer. Employers don't like to be put in this position, and they'll usually do everything they can to get you to name an acceptable figure first. Don't let them do that to you. If the employer keeps pressing say something like, "Mr. Employer, let's see if I've got the job first . . . then we can talk money."

The point is you must make the employer want to hire you before talking money. If that employer wants you badly enough you'll be offered whatever it takes, within reason, to get you. If you name a salary figure up front you may cost yourself a lot of money. If it's a figure much lower than they are willing to pay they'll never offer you more than you request. On the other hand, if you name a figure that's too high, to the wrong person, you could be turned down before you ever get to the real decision maker. That person might well be able to offer you far more than a subordinate could. So wait for them to talk money. They will.

11. **Exhibit enthusiasm** — Sell your strong points. Ignore the weak ones. Do not spend the entire interview talking about what you cannot or have not been able to do. Talk about things you are sure of, that you can do well and that you enjoy in your work. But mainly be enthusiastic as you tell about your experience, your abilities and career interests, as well as your interest in the company. Purposely look for things to get excited about in the company or in the job. As you do you'll begin to notice how the employer will become excited about you. You simply need to provide the "spark" through your enthusiasm.
12. **Ask meaningful questions** — The art of questioning is an easy one to learn. It is another way to provide the spark of interest in you that you want that employer to have. Meaningful questions would be those that get the employer talking about themselves or the company. People have been doing this among themselves for centuries – it's called conversation. People who do it really well are known as "good conversationalists."

    To get a good start write down a few intelligent questions to ask in the interview while researching the position. Don't ask about hours of work, benefits, vacations, salary, sick leave or any of the obvious sorts of things they'll all be covered at some point in the normal course of the interview. Rather try questions like, "How could I be most effective in this job?" or "How could I earn a promotion?"

    By the same token questions put to you should be answered clearly, concisely, honestly – even the ones you would rather avoid. But when that happens use another old trick – answer the question completely but follow with a question of your own. Then follow with another, thereby gaining control of the conversation. Control, but don't monopolize. Let the employer do most of the talking. Perform well when you must, but don't fake it or oversell.
13. **Always ask for the job** — This may be the single most important point of the entire list. Employers offer jobs to people who want to work for them. That means you must convince the employer that you do want the job. So always have a start date in mind, even if it's three or four weeks off, and ask for the job before the conclusion of the interview.

    It's very difficult for an employer to turn down someone who looks sharp, interviews well and shows a strong desire to go to work for the company. If you're not sure at that point if you really do want the job, you still want the offer, so ask for it anyway. The employer still will have to offer you an attractive enough salary, title and promotional program to make you want to accept their offer. After it's laid out completely you may well want it. Seldom will you see the complete package until you have been made a formal offer. And you will have to indicate a strong desire for the opportunity before they will offer the job to you.

    For people looking for sales positions, asking for the job is doubly important. Sales managers are notorious for comparing an applicant's interviewing skills with what they perceive the applicant's performance will be with customers. Nothing is more frustrating to a sales manager than the salesperson who makes a grand

presentation but fails to ask the customer to buy. Sales managers often say, "If the applicant doesn't ask for the job, they won't ask for the order." No matter what the employer says, even if he or she refers to a delay in the hiring decision, you want to make sure the employer knows you want the job. Now is the time to be aggressive. You might say something like, "Mr. Employer, I want to work for you. I can start working Monday morning. When can you give me your decision?" You might be amazed how often the hiring authority complies with an offer on the spot. Get the offer, then the decision to accept will be yours. That's the position you want to be in.

14. **Always follow up** – A few hours after the interview, or first thing the following morning, call the employer on the telephone. Thank him or her for spending so much time with you and ask for the job again. If the employer has talked to several applicants the previous day the call should remind the employer of you. He or she will have to search through that stack of applications and note your call. This tends to set you off form the crowd. The follow up call also will give the two of you a chance to exchange questions and clear up any possible misunderstandings. More important, the follow up gives you one more chance to make a positive impression. The main objective, of course, is to get a job offer, or an appointment for a second interview.

    Another follow up approach is use of a mailgram. It is considered by many to be more effective than a follow up phone call. It definitely has a professional look to it. But keep your mailgram brief and to the point. You might say something in it like, "Thanks for spending so much time with me. I'm interested in working for your company. I would appreciate hearing from you at your earliest opportunity. Sincerely . . . ." and sign your name. It is a nice touch and it doesn't cost that much. Western Union will charge the service to your phone bill or a credit card, and your mailgram will be on the employer's desk the following morning. It looks like a telegram – professional – but with a dynamic impact.

    Of course, either method of follow up is impressive. Just be sure that you do follow up. Many people don't. Rather they'll mail a letter that takes several days to get there, or they'll just wait days, if not weeks, for the employer to call them. Don't be one of those. Strike while the iron is hot. Get in there ahead of the competition. That way the employer's liable to think you're more interested in the position than anyone else. And keep in mind that employers want you to ask for the job. Don't make them wait too long, or you may miss your big chance.

The applicant preparation challenge

Obviously Employment Security workers can do very little to change an applicant's work experience. But if, when applicants interview for any job, with any employer, for whatever reason, they can be prepared for the referral experience with the foregoing 14 principles firmly in mind, it will be very difficult for an employer to turn them down. Applicant preparation has that power.*

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*In a study completed in 1966 by the W.E. Upjohn Institute of Employment Research, Washington DC, researchers Harold L. Sheppard and A. Harvey Belitsky noted, "This study was a pioneering effort to relate jobseeking behavior to motivation and attitudes . . . (workers) whose values emphasized success were more likely to have conducted a thorough and successful job hunt . . . (their) degree of anxiety in a job interview also was associated with success in finding a job . . . (most workers) who scored high in motivation and low in interview anxiety got new jobs . . ."

Long overlooked and largely misunderstood, the development of job seeking skills also may be considered a relatively easy way to better serve all applicants, no matter what their degree of initial preparation for work. As revealed by many of the experimental experiences of the 1960s, the answer to job placement success may be as much one of attitude on the part of those looking for work as it is of their possession of specific work skills. That means Employment Security workers must be willing to adjust to the notion that training, testing and making a job referral is often not sufficient to assure successful job placement. The remainder of the task is to help the job seeker develop the right attitude.

In the past job counseling was seen by nearly everyone as a way to help the most ill prepared applicants. Targeted for assistance were youths in need of vocational guidance, disadvantaged applicants facing barriers to employment, older workers and the physically and mentally handicapped. Doubtless, services provided included techniques for increasing self confidence and self esteem. And many of those people were assisted in securing gainful employment through the counseling process. Today counselors have an opportunity to do still more by stressing elements of the 14-point applicant preparation approach.[3]

Job search workshops also can provide a means of helping job seekers overcome their job interviewing fears. One such workshop in Austin, TX – organized as a spin-off from a WIN project in 1979 – proved that people can be effectively "coached" to find jobs for themselves by using the telephone. Subsequently, similar workshops throughout the state have been organized under contract with Job Training Partnership Act sponsors. In addition to WIN participants, targeted groups have included exoffenders (prison releases) and dislocated workers (people idled because of plant closings). Job seeking skills have been emphasized in all projects. Job placement success rates average 70 percent or greater.[4]

Perhaps of greatest concern is the need to systematically provide applicant preparation advice to all job seekers. That is a service anyone can provide, anytime, anywhere. For most job seeders, particularly those who seek out the Employment Service office, elaborate workshops are not necessary. Neither is formal classroom job skill training. Most applicants already have work experience, many have had job skill training and most are equipped adequately to do work for which they are qualified.

What job seeders need most – their greatest need – is advice and encouragement on how to go about "selling" themselves to an employer. People hire people, not *DOT*

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[3] For additional insights on future job counseling prospects see Second Thoughts On Work *by Sar A. Levitan and Clifford M. Johnson, W. E. Upjohn Institute for Employment Research, 1982, page 53, "Work Motivation Amidst Poverty and Unemployment."*

[4] Under the primary guidance of Dorothy Walker of the Texas agency workshops for special groups of job seekers have been organized in several locations for interested sponsors. The original Austin WIN effort was known as the WIN Job Club. It was administered following guidelines supplied by the USDOL. Participants devoted nearly equal time to orientation (applicant preparation), using the telephone to call employers to arrange job interviews (and sometimes developing jobs for themselves), meeting with employers to interview for a job and then returning to the workshop site for debriefing (a critique of their actions and behaviors during the actual job interview). According to Walker, the three year WIN Job Club project experienced and average 68 percent success ratio. In 1981, a 15 month pilot program dealing with Food Stamp recipients was organized. The success ratio was approximately 50 percent. In 1985, the workshop approach was expanded to the Texas cities of Victoria, Lubbock and Houston under JTPA sponsorship. The target group in Victoria was disadvantaged workers, in Lubbock and Houston it was for dislocated workers idled by massive layoffs in several major industries. In October, 1985, a workshop for Texas exoffenders was organized in Houston and Dallas by Texas Gov. Mark White funded from the governor's portion of JTPA funds. According to Walker, figures to date indicate that success for these traditionally hard to place segments of the labor force is running at 75 percent or better.

classifications or "qualified" workers just because they have been referred to them by someone from the employment office.

The challenge is to recognize the importance of adequate applicant preparation for all job seekers. That means being aware of job seeking skills, learning the fundamentals of this applicant preparation element and doing something about it. It can make a difference.

Florida's group application process

by Linda Fraizer

With the advent of local office performance standards it became apparent in Florida's Region 4 that in certain offices the need for better management of resources was imperative if established standards were to be met. Of particular concern was local office performance standard for individuals placed in the North Tampa and Port Richey offices in spite of high traffic flow at each site.

An analysis of each office revealed that both were heavily involved in taking applications, with little time left, or even available, for file search, job development or job referral activity. As a result the job order filled rate in Pasco County was a low 49 percent, and the number of placements in North Tampa had languished at approximately 46 percent of the plan year. The problem was clear – increase placements through quicker processing of clients by decreasing the referral time on new orders and increasing job referrals and job developments.

The solution also was apparent. Based on exposure to the group application process being employed in other states, and the fact that group applications are allowable under the state's applicant services program guide, Region 4 proposed that the two offices in question proceed with this process. The explicit reasons were:

1. Better utilization of staff – more time could be spent on the actual selection and referral process and less time on filling out forms.

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2. Improved quality of applications due to the precise approach used in the group setting.
3. Increased penetration rate by better servicing of new job orders.
4. An increased order filled rate through a possible more timely referral of clients to new job openings.

The benefits in group application taking can be in the following time saving analysis. Assumption: The average time to complete a new application takes at least 10 minutes. Number of new applications per day: Port Richey 64, Tampa North 52. Time spent on application taking:

Port Richey – 10 minutes time x 64 equals 640 minutes equals 10 hours, 40 minutes of staff time per day equals 1.33 staff day/per day

Tampa North – 10 minutes times 52 equals 520 minutes equals 8 hours and 40 minutes equals 1.08 staff day/per day

Given the number of base grant interviewers in each office, application taking now represents 67 percent of Port Richey's interviewers' staff time. In Tampa North application taking equals 25 percent of available time. Under group application taking the following savings would be realized. Port Richey and Tampa North (each): three, one hour sessions of 20 clients each equals three hours per day equals .38 staff day/per day. Savings: Port Richey, 1.33 minus .38 equals .95 staff day/per day. Tampa North, 1.08 minus .38 equals .70 staff day/per day.

Analysis

As the above figures indicate group applications can have a significant impact on the ability of small offices to maximize personnel resources in the area of selection and referral. Over the course of a year Port Richey would have the equivalent of 209 more interviewer staff days (based on 220 days per year), almost a full position, which equates to almost 50 percent increase in base grants placement potential. In North Tampa, with four base grant interviewers, the results are similar with an additional 154 staff days gained. This translates into a potential for a 17.5 percent increase in placement activity if all other factors remain.

Quality of service

The applicant service guide agrees with a basic premise of group applications: "In general, the same principles of selection apply whether an applicant is present or has an application in the active file." In essence the thrust of group application taking allows the local offices to redirect services toward all registrants rather than those in the office at any given time. To accomplish this the key to the process is complete, accurate and descriptive ES-511s, the standard Job Service application form. The group approach allows for complete equality during this process due to the standardized way in which each client is instructed to complete the form.

Client frustration is also reduced since scheduled times are set up for clients to be in the office. As a result the present three hour waits are eliminated. In addition, during the application interview procedures are established regarding when the client will be available for job search and when the client will be home for calls. The approach also designates employees who will make after hour telephone calls in order to reach the client. An integral part of this process is the belief that fast referral on new orders will improve vastly three interrelated key areas of production – employer penetration rate, order filled rate and placement rate. The basis for these pilots is to study the effects of a policy that:

1. Provides immediate referral on all new orders.
2. Increases the quality and quantity of referrals that will result in a 25 percent increase in the order filled rate.
3. Increases the number of placements, thus improving both the office's placement rate and penetration rate.

A concern regarding this process is whether group applications are appropriate for everyone. As with any local office the key to referral to group applications rests with the front counter, whose job it is to screen clients who cannot read or write and persons interested in day work. However, the applicant will have the option of going through group application taking or not.

Another concern involves the legal requirements to provide veterans preference and parity of services to migrant and seasonal farm workers, as well as fulfillment of Food Stamp and Work Incentive program contract requirements. With these client groups preferential treatment or additional services will be provided following the group application session. Veterans will be seen immediately, coded and referred to possible openings by local veteran employment representatives of Disabled Veterans Outreach Program staff. MSFWs also will be provided immediate placement services, while WIN and Food Stamp clients will be routed directly to contracted staff for either supportive or placement services.

The backbone of a performance driven system rests with the ability of the system to manage it's own resources. It is the belief in Region 4 that new innovative approaches that do not violate any federal or state law should be utilized if it can be shown to potentially improve performance or efficiency of operations. It was always the intention to run this pilot in both Tampa North and Port Richey, especially Port Richey due to its demographics and distinct client universe. It is felt that this dual approach will provide a complete test of this process and a truer measurement of its ultimate effectiveness.

Oregon's scanner processing of employers' UI quarterly reports.

by Joe Ann Gardner

The Oregon Employment Division began paying Unemployment Insurance benefits utilizing the optical character reader (OCR) in July, 1984. This process was preceded by much research, planning and testing, as it represented the first step in realization of agency automation goals.

After months of discussion, equipment was purchased and installed, scanner readable weekly certification forms were printed and procedures were formulated. The process and equipment were tested in March, 1984. As tests proved successful, July 1, 1984, was designated the date for all local offices to go forward with scanner processed UI benefit payments.

To say the system was an instant success would be seriously overstating the facts. It was, however, apparent that time savings would be worthwhile after problems effectively were resolved. Indeed the total time spent in processing continued claims certifications was reduced in excess of 50 percent, even though procedures were not familiar to staff, the equipment did not always respond as anticipated and claimants were befuddled in trying to communicate with a scanner.

The results of the first few months of using the scanner showed sufficient promise for planning future projects. The decision was made to automate wage reporting. More efficiency was needed to speed up the process. Staff reductions in recent years, as well as the probability of future reduction, also influenced the decision. And finally, the scanner could perform the functions of the UI tax unit and wage records unit.

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Scanner-Tartan system

The optical character reader is a unique machine that can read the print and handle paper at tremendous speeds. Different models are designed for varying purposes, ranging from supermarket counters to sorting mail for the U.S Postal Service.

The Tartan Central Processing Unit receives the data "read" by the scanner and transfers the data to magnetic disk. All correct and readable forms are thus processed. Those with problems are rejected and given to terminal operators for correction and imput. When all the records on the disk are as clean and correct as possible, they are transmitted by Tartan to a magnetic tape for input to the mainframe computer.

Educating employers to automated wage reporting

In September, 1984, the first story concerning the OCR process was released. Printed in the *Oregon Labor Trends*, it alerted employers to coming changes. This was followed by a report to the state Job Service Employer Committee during October, 1984. A form was designed and mailed to employers asking them to participate in the test. Employer reaction was positive, and in November 1,600 test packets of the quarterly payroll reports were sent to employers, 50 percent of whom responded. Following this an informational paper prepared by the tax unit was sent to all Employment Division local offices to enable staff to respond to employer inquiries.

On line first quarter results

On May 31, 1985, the first official run was completed. The results were acceptable, with 1,015 batches of approximately 50 employer reports per batch scanned in this run. A total of 60,559 pages were processed; 16,158 pages were read completely and 39,171 pages were scanned with at least one character on the report not being read. More than 5000 pages had to be fully keyed on the Tartan because too many characters could not be read by the scanner. However, there was 90 percent accuracy in what the scanner did read. Scanner programming changes and further instructions to employers on how to prepare scanner readable reports increased accuracy and efficiency of the program.

All wage record from the first quarter 1985 reports received by June 15 were on file by June 30. This was an improvement over the manual input system in both speed and accuracy. We foresaw additional improvements as the operators of the system became more familiar with it.

Updating the files for the first quarter 1985 reports was slow because of loss of programmers and major program changes. Overall, however, the result were better than earliest predictions and were considered satisfactory. Subsequent quarters of reporting have lead to smoother, faster operations with excellent results. The anticipated savings of time and staff has become a reality. Errors have been reduced substantially. The programmer shortage problems were resolved by teaching the Tartan operator to do their own programming.

Future enhancemants

Planning is already underway for future uses of the scanner/Tartan system. One such use might be speeding up the process by which employers are informed of potential UI changes to their accounts. Many other projects are under consideration.

Today's scanner is limited by it's ability to read only numbers. When the time comes that scanners can read alpha characters effectively many more options become viable.

Passing the information along

Several other states have shown interest in Oregon's scanner/Tartan system for wage reporting, and some have sent representatives to observe the process. Others have corresponded with the tax unit. The interest appeared great enough to warrant preparation of a summary of Oregon's experience. This was done and the paper is now being sent as an initial response to inquiries. It seems appropriate to use this summary as a finale for this paper.

Scanner processing of quarterly employer reports

Only current quarter reports which are submitted timely, are processed through the scanner because of the need for large volumes of reports to operate the scanner efficiently.

Our mail center puts the scanner processable reports into separate batches. After the tax section logs the batch numbers in the batch control book and verifies credit and other adjustments on the reports, these batches are routed to the scanner room. After scanning, the batches are Tartan processed. The Tartan terminal operators key all data not read by the scanner as well as correcting errors found in the balancing of reports. This balancing is by the Tartan edit program. This program adds a report's individual wage items and compares that sum to the total subject wages the employer listed on the report. Any reports that do not balance are flagged for inspection and correction.

From the Tartan program two tapes are generated to update the mainframe computer's files. One tape is generated prior to any Tartan corrections to update the employer's delinquency file. The second tape is generated after all Tartan correction and is to update the employer's tax account files and the individual wage record files.

During our first quarter's use of the scanner for employer reports our delinquency file was not being updated quickly enough. The update was done when the report was completely scanner/Tartan processed. The delinquency file is a record of each document processed under a firm's tax account. We need prompt update of this file so that a report received, but not fully processed, can be located. Also, this delinquency file is used to generate notices sent to employers who have not submitted timely reports.

The solution to this update delay was a program through the Tartan. The day after a batch was scanned the data was sent through a Tartan program, via magnetic tape, to the mainframe computer. This tape listed firm number, quarter/year, type of report and batch number of the reports scanned, to update our deliquency file.

We have experienced report readability problems. Incorrect formatting of data on the wage and weeks of work report will cause readability problems. When the employers put page numbers on their continuation sheets, the scanner also had difficulty reading the data because of the extra field. The solution to these problems has been, and will continue to be, employer education.

Another approach we take to save on paper processing of reports is to encourage the larger employers to submit employee wage and weeks of work report on magnetic tape.

A computer program as a counseling tool

by Suzanne Zesmer

The Computerized Job Order Retrieval System (COJORS) is an electronic data processing technique used in Illinois that permits immediate access to open job orders listed in the statewide job bank. COJORS is an application of a computer software package called "Docu/Master" developed by the Dun and Bradstreet Corporation. The system enables the interviewer, with the aid of a video terminal, to employ a series of commands in an online conversational mode in order to search the active job order file and to identify appropriate job orders for specific applicants.

The object of the COJORS system is to reduce the search count to a manageable level. When COJORS is used, commands to the computer set in motion a search of the open file for job orders that satisfy the specifications of the particular request. As new parameters are added to the search, the number of documents (available job orders) necessarily decreases. This process allows the interviewer to eliminate a large number of orders and to select only those that seem to meet the applicant's true qualifications.

If the number of job orders can be narrowed by increasing the number of search parameters, it conversely can be broadened by reducing or modifying the parameters or by modifying a particular parameter. It is the purpose of this paper to illustrate how COJORS, by enabling the interviewer to submit the job search to continual reassessment and refocussing, can become a valuable component of the counseling process.

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Illinois job application

The counselor can get a good idea about the applicant's expectations and work experience from the Illinois Job Application, which asks the following question:

1. What kind of work do you want?
2. What is the lowest pay you will accept?
3. Would you accept fulltime, permanent, parttime or temporary work?
4. What shift do you prefer?
5. Would you move out of town?
6. In which counties would you work?

Taking into consideration the applicant's answers to the above questions and the applicant's work history, the interviewer begins the search. It is obvious that the more restrictive the applicant is with the responses to the questions about work preference, the fewer will be the number of documents resulting from the initial search.

In the counseling process one of the employment counselor's goals is to assist the client in understanding and facing the reality of a situation that the individual has not acknowledged, has denied or has tended to avoid. The experienced counselor, after reviewing a client's background and work history, often knows that there are no jobs available that would satisfy the client's expectations. If the counselor were to confront the client directly with the notion that these expectations are unrealistic, he might alienate the client and seriously impair the counseling situation. In order to avoid this possible breakdown in rapport with the client the counselor can use the COJORS search process as the "heavy."

A hypothetical case history

The following is an example of the way in which COJORS, rather than the counselor, might be used as the agent of confrontation:

A woman, 21 years old and a high school graduate, has worked as a general clerk for two years. She complains to the counselor that she is in a "deadend job." She states that she would like to find an office job that would offer "more of a future." The counselor learns that "more of a future" means more money, and that the young woman feels herself just as capable as many of her coworkers who have more responsible and better paying positions. The client also seems disinclined to get any further education even though it is obvious to the counselor that unless the client receives some additional training there is little chance of her being able to advance. The counselor suggests the possibility of the client's attending the local community college, enrolling in a business administration program and studying accounting or computer science. However, the client does not seem to think that school is the answer.

The counselor now can use COJORS to convince the client that without some additional training she probably will not be able to find more rewarding work. The first search that the counselor might undertake uses as its parameters the actual background, qualifications and expectations of the client: two years of clerical experience, graduation from high school and desire for a substantially higher salary than the client presently is receiving. In all probability no documents will appear in the course of this initial search.

The next step might be for the counselor to conduct a second search in which the client's experience and current salary remain the same but with a different educational parameter: a two year degree in business education with a major in accounting or computer science. If several documents appear from this search the point is made. The client should perceive that she will need additional training in order to qualify for a better job.

Creative use of COJORS

It is therefore possible, through the creative use of COJORS, to direct the attention of clients toward the possibility of securing further education or training. In addition, the experienced counselor, who is familiar with the local market, can help clients by leading them to understand that when their work preferences are unrealistic they are unlikely to find jobs that meet their demands.

COJORS may show clients, for example, that if they were more flexible in their work shift preferences or less restrictive as to work location, the number of available jobs substantially increases. If the need for greater adaptability has been objectively illustrated, clients may be more willing to consider applying for jobs that they previously had refused, or they may make the decision to obtain further education. If the clients themselves can perceive the necessity for change, there is a much better chance that they will accept responsibility for their own future and take positive action.

COJORS has been designed as a job matching process, and this will remain its chief function. Nevertheless, as illustrated, COJORS can be discretely used to serve as a valuable adjunct to the employment counseling process. It may enhance the relationship between interviewers and clients and may foster greater self awareness on the part of clients by helping them make realistic and responsible choices.

Labor Market Information dispersal

by Larry Kennedy

What are your priorities in a typical Employment Security office? Do you pay our claimants their Unemployment Insurance payments promptly, or do you make Labor Market Information more accessible to the public? Do you refer a client to an open job order now, or do you write a press release covering last months labor market statistics? If you are a typical office the claimants or clients immediate needs come first. These would be proper and understandable priorities. Unfortunately little time is left over for dispersing Labor Market Information after the higher priorities have been completed.

As a result of this dilemma Labor Market Information dispersal has found an uncomfortable place. As in comedian Rodney Dangerfields' act, there simply is no respect for this potentially valuable tool for the local Employment Security office. This issue is further complicated by a legal requirement to provide Labor Market Information as mandated by the Wagner-Peyser Act. Most, if not all, states devote resources to the collection of much of the relevent data. Packets are published. Bulletins are printed. In most cases the research is accomplished and produced in a professional manner by the employment data research specialists.

The "how to" kit

Where is the data found? The information is found in regional warehouses and stockrooms of local Employment Security offices. As most of us know this is where the

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bottleneck occurs. Local offices do not have sufficient resources to disperse the material to the public. On the other hand why should we spend precious resources on these materials only to have them collect dust in storerooms?

Since this is an area often ignored, offices that are interested in making their operations more efficient always can benefit from a renewed effort in dispersing LMI. Most Employment Security offices limit their programs to reacting to outside requests for information from the public. We can, however, become more proactive without causing us to neglect our other mandates. The secret is to use materials and speeches already written by someone else. These sources are free and readily acquired. The object of this article is to give you some guidelines on how you can use existing resources to start a new program.

Consequently, the primary objective for local employment offices is to answer one pointed question: how do we effectively disperse LMI without sufficient time or resources for even a minimal program? You may want to consider a practical "how to" guide that can be mechanically implemented by one person as a part time collateral duty with minimal clerical support.

The master plan

The "how to" kit starts with a plan. Once a year is enough. This probably will be the most time consuming aspect of your LMI dispersal task. If you construct a single timetable form, however, even the plan can be accomplished in a three hour working meeting of the individuals involved in the project. During this meeting you simply set your objectives for the year with responsibility assigned and timetables completed.

If you have not historically placed much emphasis on LMI dispersal you may want to start out small. Regardless of the size of your project, however, your plan must quantify your activities. This is accomplished with a point system. Each successful activity generates a specific number of points. If the activity is not accomplished, no points are generated.

The plan is a one page chart with headings somewhat like this: activity (i.e., send a press release), goal(s) (how many), assignment (name), timetable (start and complete dates), actual accomplishment(s) (how many), point allocation(s) (how many for each accomplishment), and total points (points earned). Constructing the chart is simple. Deciding what activities to accomplish is the core of the plan.

The first step is gathering the available materials from the supply catalogs, storerooms and warehouses. The following partial checklist may be used: general brochures, posters or flyers, news releases from your state, literature displays, publications from the Department of Labor, publications from your state, slide shows, proclamations, list of satisfied customer quotes and standardized speeches.

After gathering the resources a list of where the materials should be directed must be collected. Examples of typical entities are the Employer Advisory Council, employer organizations, local newspapers, local television or radio stations, local magazines, libraries, local employment office lobbies, colleges, local elected officials, community or shopping center bulletin boards, labor union halls, and the personnel offices of your city or county. Since the list is long you will almost certainly be forced to decide to concentrate on those whose need for LMI is the greatest.

The planning team

In assigning responsibility among team members, the key ingredient is the sincerity and enthusiasm of the local office manager. The manager must put things into perspective in regard to the priorities of LMI versus more immediate needs of the office. On the

other hand, a confident attitude that a minimal program can be constructed will signal to the other team members that improvements can be made. The team should consist of the manager, Job Service supervisors, regional LMI specialists, counselors, and a placement interviewer. In addition, an employer member of the Employer Advisory Committee, a carefully selected client or claimant, and a community volunteer can provide valuable input in narrowing the activities to the most effective tasks.

Why do you include outside members in a meeting? Will they slow down the progress when only three hours is available to map out a plan for the entire year? The answer is no. The employers, claimants and clients are recipients of the LMI data. They should have input into what is done and when. This is one of the elements of customer service that is easy to overlook. If you ask employers what information they want, they will tell you. If you do not ask, you can only guess what is important to them. Often you will be wrong. In addition, the employer may assist in accomplishing the activities by volunteering resources to assist in the project.

Community volunteers also can provide valuable assistance in forming a LMI project. Many of the Job Training Partnership Act private industry councils, school districts, unions, and community based organizations share an interest in a solid program of LMI. One or two interested individuals from these types of organizations could do more than assist with ideas. They often provide information on their own LMI programs. Occassionally resources can be pooled, information can be shared and duplication avoided. School districts, for example, may be able to print Employment Security research data while JTPA can disperse the printing at the recruitment points throughout the community.

Finally an often untapped resource for planning committees is recent Employment Security retirees. Every community has retired employees who have between 20-40 years of prior state service. These former employees have the experience, knowledge and time, all of which are necessary ingredients for giving the final touch to a well balanced team.

The major objectives

Once the team is assembled the objectives and general strategy must be addressed. An essential step is to decide which groups you most urgently need to reach in order to best meet the needs of your community. Communities with one major, dominant industry, autos for example, would most benefit from LMI related to the auto industry. Another example would be a community that is located adjacent to a large, four year university. A more intensified distribution of the minimum requirements for entering occupations might be most useful. Only your planning team, a cross section of people from the community, would be in a position to best determine what the goals and objectives should be.

Recognizing what is news and what is not news also is tied to your goals and objectives. You must try to see your work from the viewpoint of the outsider. Who is interested in local LMI? Small employers sometimes have different interest than large employers. A labor pool ladden with mid career workers has a different attitude towards LMI than one heavily represented by new entrants. Successfully answering these questions early in your program probably will constitute the single most critical step in forming a successful project.

At the same time look within your organization for strengths. Do you have a counselor particularly gifted in public speaking? Is your counselor more comfortable writing press releases? People are news. You can extract good LMI story ideas from your own examples that occur to real people with whom you deal. Statistics on the high number of workers in the retail trade in your area can be led with a human interest example provided by your placement interviewer or counselor. Consequently, the facts of how many people

in your labor market work in the retail industry classification do not have to be dull provided you show how the facts relate to people. News releases that merely pour out the statistical data are generally extremely low in news value.

Even the most recent unemployment statistics can be presented in a more interesting light. Discuss the underlying meaning to the trend. What caused it? How long will it last? Which people are most seriously impacted? People generally like to know exactly who in each group is affected in terms to which they can relate. The community needs to know whether the situation is a temporary problem or one that requires community concern and action.

How to find ghost writers

Once the team has worked out the general objectives, the overall strategy must be shared by all members. If the strategy is to disperse only existing, packaged LMI, then the strategy will, of course, be limited to distributing the information to the public and employers. Nevertheless great quantities of reports, publications and press releases are available to you. Some of the materials will be more relevant to your Standard Metropolitan Statistical Area (SMSA) than other materials whose direction is to audiences with a regional or nationwide interest. This presents you with a roadblock.

The conflict between deciding on issuing publications of less relevance to a local audience or to write your own material has a solution. Simply reissue regional or statewide publications and substitute statistics and names. In other words use the text from press releases from your statewide headquarters but substitute local statistics and names. This has two main advantages. First the media is more likely to print releases that have a direct local interest. Second you can rewrite a previously written release in a few minutes. The entire process, of course, is particularly swift if you have access to word processing. With use of microcomputers you can create a master press release form.

Nearly any press release subject can be localized. You can ask the job placement specialist in your office to comment on a statewide press release informing the public about shortages in word processing operators. You even may want to quote the placement interviewer. This promotes higher unit morale while at the same time localizing the labor market news. Ask your regional labor market specialists to provide you a list of free Department of Labor publications. These publications can be reproduced in their entirety with a local slant. The Bureau of Labor Statistics publishes the News, a time sensitive news format mailer. Your may write DOL, Washington, DC, 20212, to be placed on the mailing list. A sample topic is, "Rapid growth expected in computer related jobs."

You are now ready to make your materials available. The plan can consist of a two pronged approach: first information provided to the medial outlets, and second information delivered directly to the public.

Media outlets

A major difference exists between providing information to the media compared to other methods of distribution. Information delivered to the media can more explosively saturate your community than information that you disseminate directly to the public. More people read the daily newspaper than those who read the bulletin board at the local shopping center. Moreover, reaching the media is as close as the nearest mailbox or telephone. Thus media distribution takes less time because delivery problems do not exist.

Your local media consist of the local newspaper, magazine, television and radio outlets. Your kit should include an updated directory of the name, address, telephone number,

publication deadlines and contact person for each. The directory should be dated in order to minimize likelihood of using outdated addresses or names. You should prepare two or three complete sets of envelopes with all the names and addresses preprinted. This will allow you to be ready to distribute timely LMI when you have a short time frame. As you use one complete set of envelopes make every effort to prepare another set at the earliest opportunity. Distributing a news release is much faster when the envelopes are ready to go.

The newspapers do not necessarily have to be limited to the major publications in your area. Your local high school or college newspapers rarely receive news releases and often would be delighted to print your release. In addition do not overlook publications that are produced in a foreign language. In communities with a high concentration of people who are more comfortable reading Spanish, include the Spanish newspaper on your distribution list. Employer publications also can be solid avenues for consideration. Most Chambers of Commerce produce a newsletter to members. Also service clubs such as Lions, Kiwannis and Rotary frequently have a club bulletin. The editors for these clubs are volunteers who are normally happy to receive ready copy for their bulletin.

Magazines generally have longer articles and less frequent deadlines than newspapers. The area of distribution is also usually a greater geographical area than that covered by the responsibility of your local Employment Security office. Sometimes, however, small magazines will confine themselves to a particular county or city if the population is large enough. If you are located in a community that has a general interest magazine you may want to include them on your distribution list. These magazines often have a small staff and generally welcome articles about the local labor market.

Television increasingly is becoming a more prominant source of information for all Americans. More people probably watch television regularly than those who read the newspaper. Americans increasingly are becoming more dependent on the television for news.

On the other hand, getting Labor Market Information on the television may be more difficult because the short duration of the spots requires high level interest material. Moreover a local fire could cause your story to be shelved. Nevertheless most television stations are willing to commit to a brief recap of the unemployment rate for the last month and a short explanation of the likely causes. This type of information would be of particular interest to areas of the country hardest hit by unemployment. The secret usually is to get to know the person in charge of the assignment desk. Contact this person by telephone on the day of your release to inform the station of your information. A field crew can drop by the office for a 30 second spot interview of your spokesperson.

Radio is similar to television in regard to having to tell the story in a short period of time. However radio lacks the visual part of television. A 20 second copy has only 50 words. The station disc jockeys often are forced to write all their own material. Consequently, you can dramatically improve your chances of getting a LMI spot on the radio by choosing about 50 words from your newspaper directed news release and submitting it double spaced to the radio station. This saves you from the complication of having to write separate releases for each outlet.

Direct to the public

In addition to dispersing your LMI to the normal media outlets you also can consider directly providing your information to the public. This probably will be more time consuming than the media outlet distribution experience. The quickest approach to the direct delivery of LMI is probably via the lobby of your local Employment Security office.

Members of your planning team should review the lobby to determine if the amount of Labor Market Information provided is pertinent to the community. Offices with access to automated equipment can provide a range of information to clients and claimants through terminals to labor market data banks.

Most offices have a bulging supply of pamphlets available from warehouses and stockrooms. Unfortunately in many cases no systematic process has been set up to insure that materials are made available to the lobby area. Some decision makers contend that the materials are mishandled, torn up or destroyed by the public. Steps can be taken to minimize this problem. The Automobile Association of America, for example, displays the pamphlets available to member in the lobby and the receptionist distributes materials. Other successful methods include stacking the materials at the counter near the receptionist in order to reduce vandalism. The important point is that the public must be made aware that the materials are available. This is best accomplished with a clearly displayed sign.

After the local office has been set up to disperse LMI your attention can be turned to your targeted outlets. Public libraries are located in virtually every city or county. You effectively can include the library on your LMI dispersal plan by adding the library to your mailing list. You do not have to hand deliver materials. The library receives, catalogues and displays your material for you.

You may want to personally deliver materials, however, to the other outlets on your list. This includes union halls, personnel offices of your city or county, community shopping center, veterans organizations and employer organizations such as the Chambers of Commerce. Most of these organizations have a display rack in the waiting area that offers handouts to the public. If you are not a member of the chamber, ask for permission to include your materials with the others. Since you represent a government agency, the chamber probably will allow you space. You also may ask for your own bulletin board. If you do get permission to go this route, however, you must visit the chamber at least monthly to update your materials.

Speeches to community organizations

Many local organizations devote part of their meeting to a program that is designed to educate the members on issues that are important to their community. Clubs such as Lions, Kiwannis, Rotary and Optimists are found in most cities in America. These clubs offer unique opportunities to the Employment Security offices in their efforts to reach the active leaders of the community. In addition to these service groups a number of specialized service groups have an interest in LMI. The Optimist International, for example, is an organization specializing in assisting youth.

Employer organizations such as the Chambers of Commerce, trade organizations, and Unemployment Insurance employer representative councils also hold regular meetings with time devoted for a program. Many cities and counties have created volunteer advisory committees that regularly meet to address specific issues such as employment. Moreover, economic development organizations, or arms of public entities involved in economic development, are vitally interested in presentations on the available labor supply in your community.

All of these organizations provide similar formats for presentations. Normally the presentation is scheduled for 30 minutes. Most clubs meet for a meal such as breakfast or lunch. The outside presenter will speak after the meal. Your plan should attempt to match your presentation to a particular season or cycle. A labor market speech to the Optimists club might be best timed directly before school summer vacation. Once your

annual plan is developed you may want to immediately schedule your presentations with your target organizations. These organizations often need lead time in order to accommodate your request.

Although establishing a speakers' plan of action may appear on the surface to be extremely costly in staff time, a minimal program can be constructed. This is particularly important when you consider the level of influence that the leaders in the community possess. Face to face communication probably remains the most effective communication tool. Despite having both the visual and the sound, televisions are not yet able to answer viewer questions. Speaking to only one organization a month would be a solid step in the right direction. You must take extra precautions, of course, to insure that your best informed representative makes the presentation. The office counselor is probably the best choice to discuss occupations and careers.

Take four more steps

Your planning is complete, but you may have the lingering feeling that something is missing. You are right. You need to set up a system to insure that your plan actually is implemented. Part time collateral duties sometimes are overlooked in busy Employment Security offices. Now is the time to set up your last four steps to success. They are assign responsibility among team members, mark your calendars, follow up on progress and complete an annual report of your accomplishments.

Depending on the consensus of the planning group one member must accept the overall responsibility for the project. This person should keep the master plan and check off accomplishments as they occur. This responsibility should be spelled out on the person's duty or position description. This helps reduce the possibility of having each team member assuming someone else is responsible for the project. Decisions of responsibility can become particularly clouded in situations where the team meets only once a year.

Assignments need to be marked on a master calendar that is distributed to all members. In addition, responsibility for individual assignments, such as making a Chamber of Commerce presentation, should be marked on the presenter's individual calendar and on the project leader's individual calendar. This makes the activities routine.

Follow up on progress is the responsibility of the project team leader. A short monthly report of the number of accumulated points provides some quantitative feedback to both the team members and the entire staff in the office. This report does not have to be formal. A handwritten report can be as effective as a polished computer printout. The important aspect is to insure that the activities are accomplished.

The last step entails completing an annual report of successes. This report has several uses. First the report will be useful as a source for rewarding the work of the project team. At the least the report will sum up the extent to which the team was able to follow through on its plans. Moreover the report will provide useful base data for the next year's project team to use in determining if some of the activities should be altered. Finally the report can be evaluated in context with other programs being operated in the office. As resources become more scarce, allocating resources must be determined through quantitative means more than instinctive feelings.

Let's get inspired

Why should we place such a high priority on dispersing Labor Market Information to the public? Possibly an America in an earlier, less turbulent economic era would not place such importance on LMI. Today, many of our industries are being pressed by

foreign business. Even industries more insulated from foreign competition are experiencing rapid technological change. The very structure of the labor pool is changing as middle aged workers seek new careers, as workers reenter the labor market after a 20 year lapse, and as jobs move from one region of the country to another almost overnight.

Our potential customers include every American in the workforce. One of the backbones to successful customer service is to give the customer what the customer wants. More people appear to be interested in becoming informed about Labor Market Information than at any other time since World War II.

Establishing Labor Market Information expertise

by David Koch

Labor Market Information dispersal techniques were created for six distinct labor area that encompassed seven counties in southern Illinois where I served as the labor market analyst from April, 1971 – May, 1982. The combined population of the seven counties was 171,347 in 1980. Twelve weekly and four daily newspapers were located in these seven counties. There were 11 radio stations. The northernmost county was served by seven television stations from the Carbondale, IL, Cape Girardeau, MO, Paducah, KY areas. Parts of three regional planning commission districts extended into the seven counties. The area had a junior college and a large state university, which during my tenure had between 20,000 and 25,000 students.

The development of the techniques used in the dispersal of Labor Market Information originated with preparation of the first annual planning report for the Shawnee Comprehensive Employment and Taining Act consortium area. At the time, 1976, I was enrolled in a class on occupation information at Southern Illinois University. Also at that time publication of Labor Trends was suspended because of financial reasons.

In preparing the first annual planning report for the Shawnee CETA consortium area in 1976, it was seen that there existed the potential for creating a unique comprehensive plan. The consortium area had nearly identical boundaries to that of the regional planning district, the local junior college district, the local educational service region and the local community action district. The consortium area had endured high poverty rates for many years. There was a limit to the effectiveness of training individuals for jobs since very

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few job openings existed in the area, and the area was sparsely settled. The first annual planning report included the employment potential of individuals in various occupations and the potential for industrial development for various industries.

The graduate level course in Occupation Information taken at SIU stressed that individuals should rely on their friends and family members and macro (large area) employment information for knowledge of likely choices of occupations, as well as the type of training necessary to become successful in the chosen field. The course failed to indicate what type of occupational information existed at the micro (local) level. Many individuals are in need of micro occupational information since they are uninterested in leaving their immediate area to seek work.

When Labor Market Trends was suspended in 1976 for financial reasons, a new method of dissemination was needed. Even through the information was not available in a hard copy form, the information had to be made available to the public.

LMI dispersal to the news media

An analysis was made of the local news media service areas, type and quantity of news distributed, the amount of interest by the news media in local news, and the amount of filler being used by the various media. Of the 12 weekly newspapers, only three attempted to serve the whole county where they were located. Most of the weekly newspapers provided only the social, political and recreational news of the community where they were located. Most of the news in two of the four daily newspapers came from their wire services (Associated Press, etc.). Their local news consisted of the political, social and recreational news of the community where they were located. Another daily was the student newspaper at SIU. The fourth daily served a large portion of southern Illinois and produced a large quantity of local news. It was greatly involved with the development of Southern Illinois.

Of the 11 radio stations, nine had the potential of spreading stories on Labor Market Information. One of the stations was a repeater station, and the other only broadcast religious programming. Four of the radio stations produced their own live radio news call in shows. From the beginning it was realized that the St. Louis television area could not be cracked. The area only served one of the seven counties, too much available news existed in the area and the office of the labor market analyst was located 89 miles from St. Louis. A different story existed in the Carbondale-Cape Girardeau-Paducah area. These stations were forced at times to use fillers to be able to complete a news telecast. One of the television stations was planning a one hour local early evening news program. Two of the television stations were in the process of outposting reporters with minicameras within their viewing area and had begun to plan for news segments from the outposts. Eventually the third station followed the other two stations in the new practice of outstationing reporters.

A one page report was developed for the seven counties and the six labor areas. It was mailed monthly to the press. The report showed the current unemployment rate, the rate the previous month and the rate for the current month a year ago for each of the counties and labor areas, the state of Illinois and the United States. The foremost factor in creating this brief report was to save in the cost of publication. Richard Wesling once wrote, "A report should only present information of maximum significance to assist in taking action where additional detail is in fact a hindrance." If the unemployment rate appeared significantly high or low it was expected that the press would investigate the situation. He continued, "Reports should emphasize brevity, timeliness, and clarity." The reports were published and distributed with approximately an hour of clerical time.

At the same time the reports were intentially vague. John G. Kemeny wrote, "Some of the arguments in favor of vagueness tell us that if we limit ourselves to a list of words that are precisely defined and listed in a given dictionary, this would put unnecessary clouds on our imagination." It is best to attempt to get the news media to inquire about current economic conditions, and this can be accomplished if the news media begins to worry about current economic conditions. Alan C. Isaak wrote, "A system receives the information, translates and interprets it, and then decides how to read." This is the basis of general multi level communications theory. To every act of communication there is both a reaction by the communicator and the receiver.

It is important when dealing with the news media to be prepared for all contingencies. A preferred answer is needed for every question likely to be asked. The story must be totally consistent. All parts of the story must be able to fit together. An inconsistent story can lead to a great deal of embarrassment to the labor market analyst and the agency. The news media has to be treated with honesty. Never attempt to lie the press since it eventually will catch you. It is important to treat the press in an adversary relationship but appearing to them as a nonadversary. You should appear friendly at all times but remain in control of the situation.

When the first one page report was mailed to the news media the response was overwhelming. Two additional radio stations became interested in local Labor Market Information. Requests were received from three radio stations to appear on radio call in news programs. For the first time four television stations in the Carbondale-Cape Girardeau-Paducah area began interviewing the labor market analyst. The analyst eventually became the local economic authority for two daily newspapers and two television stations. Having gained firm control of the news media, it was time in 1977 to attack both business firms, government agencies and the educational establishment to make local labor market information more widely available.

LMI dispersal to business firms and government agencies

From the spring, 1977, through 1980 a large number of statistical tools were being instituted and a minicomputer was being utilized for economic analysis. In October, 1979, a presentation was given on the type of Labor Market Information available in Illinois at the local level to a regional conference of a professional organization. From 1977, joint conferences were held between the research and analysis division of the Illinois Department of Employment Security and individuals from other state agencies and representatives of the education establishment. Since this program had been successful at the statewide level it was decided in 1981 to take the Labor Market Information training program directly to business firms and government agencies.

A program was developed to inform personnel managers and government planners about the unemployment rate, occupational information, wage and salary information and affirmative action information. The purpose of these half day training sessions was to inform guests about the quality of the data available and the use and limitations of the available data. Approximately 70 individuals attended the two training sessions. Roughly 20 percent of the business firms and government agencies invited sent employees.

Most of the major users of Labor Market Information, with the exception of the education establishment, became much more involved with the services of the research and analysis division of the Illinois agency because of the training sessions. This also led to involvement of the labor market analyst with the local interagency council meeting on a continuing basis.

LMI Dispersal to the education establishment

To gain influence with the educational establishment, the methodology was different. A three prong plan was used to influence the education establishment. The first was to gain creditability with SIU. This was achieved by using the student news media personnel who operated two radio stations, a television station and a daily newspaper. As part of the journalism and the radio and television curriculum, students were to have actual work experience. Because of this there existed no problem in having the students publicize local Labor Market Information. All that was needed was a willingness of the labor market analyst to give enough time to novice news personnel. These two departments' publicity of local Labor Market Information filtered throughout the university.

The second strategy in January, 1978, was to enroll in the vocational education department at SIU as a part time graduate student. This provided direct access to the faculty of the department and to students, of which most were employees of high schools and junior colleges. With this access the labor market analyst was able to broaden the horizons of both students and faculty in the field of vocational education.

The expertise perceived by business firms and government agencies was used to enhance the creditability of the analyst with the university. The external forces from both the business and government sectors were used to redefine the university's mission to include additional services to Southern Illinois. The analyst's duties increased to that of an adjunct teaching capacity for several new projects sponsored by the university.

At the same time the university became involved in community and industrial development with the institution of multiday conferences for business and government practitioners given by noted persons in their fields, and the creation of ad hoc panels of practitioners and academicians to solve specific problems. By spring, 1982, most local school districts and other providers of training had begun to realize the type of local Labor Market Information available from the research and analysis division of the Illinois Department of Employment Security.

Conclusions

To develop an effective Labor Market Information dispersal program will take at least five years. The news media should be used to help gain access to business firms and government agencies. The educational community should be tackled last. The successes in dealing with the news media and business firms and government agencies should be used in attacking the education establishment. When dealing with the press, it is best to move slowly until it responds positively to you. Eventually, depending on the amount of other news available, the news media will come calling. For both business firms and government agencies an attempt should be made to provide them with as much information as they need as long as the data is valid, fair and economically sound. In dealing with the education establishment be prepared to temporarily bear up to theory overy practice and gradually work to tear down the theoretical approaches that do not work and to develop the applied approaches that do.

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